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GOVERNING COUNCIL

Thirty-seventh session

SUMMARY RECORD OF THE 17th MEETING

Held at the Palais des Nations, Geneva,
on Wednesday, 30 May 1990, at 10 a.m.

President: Mr. POPESCU (Romania)

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United Nations Population Fund (continued)

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The meeting was called to order at 10.05 a.m.

UNITED NATIONS POPULATION FUND (agenda item 6) (continued)

General debate (continued)

1. Mr. KUNUGI (Deputy Executive Director, United Nations Population Fund), speaking in response to points raised by delegations on the question of allocations for priority areas, said that several representatives, including those of the Federal Republic of Germany, Mauritania and the United States, had referred to the slight decline in expenditure on maternal and child health and family planning (MCH/FP) in 1989. In reply he would like to point out that the Governing Council instruction of 1981, contained in its decision 81/7, paragraph 3, referred to the global target of resource distribution taking into account the specific socio-cultural backgrounds of developing countries. That meant that resource distribution for a particular country might not be strictly in conformity with the guidelines. It should also be mentioned that the family planning sector and the associated field of information, education and communication (IEC) had continued to receive approximately 67 per cent, or two thirds, of programme resources in 1989. That was in line with the guidance of the Council. Some factors which had possibly contributed to the slight reduction in resources allocated for those two fields could, however, be identified. One might be found in the increased resource allocations for population dynamics and basic population data collection and analysis connected with support activities for the 1990 round of censuses. The increase in resources for population dynamics in 1989 had resulted from the fact that the item included research activities related to family-planning policy formulation and to socio-cultural factors affecting fertility or family planning practices. The African strategy approved by the Council in 1987 had also emphasized the need for IEC activities in the countries of the African region. That was reflected in the increased resources allocated for that field in 1989. Lastly, as endorsed by Cuba and other members, the women in development field had received a marked increase in its resource allocation, from 2.5 per cent of total programme resources in 1988 to 3.8 per cent in 1989. That field was undoubtedly closely related to that of a family planning delivery and information service.

2. A number of delegations had endorsed the proposals to increase further the resource allocations for Africa in the forthcoming work plan period 1991-1994, although a few had expressed the view that the proposed rate of increase was not sufficiently high. UNFPA would certainly try to comply with that suggestion to the fullest extent possible. He would like, however, to draw attention to the longitudinal resource increase trend over the past several years, from $16.6 million (23.3 per cent) of total country programme resources in 1986 to the annual average of $47.6 million (32.8 per cent) in the 1991-1994 period.

3. As had been pointed out by the representative of the Libyan Arab Jamahiriya, UNFPA had always been concerned to ensure the optimum use of resources available for population activities from various sources, including UNFPA. The Fund had tried to maximize the complementarity of such resources, first at the country level through the country programme development procedure. And secondly, it had tried, and continued to try, to maintain consultations with concerned multilateral and bilateral population assistance agencies in order further to increase effective resource utilization.

4. The delegations of Canada and Norway had referred to the presentation of data concerning multilateral-bilateral resources. In that connection, UNFPA concurred with the suggestion by the Canadian delegation that such data should be presented separately since they were not, strictly speaking, sanctioned by the Governing Council as a whole.

5. In reply to the representative of Canada, who had drawn attention to the law resource delivery rates in some countries (only 19 per cent in one case), he would like to say that a number of common factors appeared to have contributed to those low rates. Those included internal political stability and the absence of, or delay in, the recruitment of UNFPA staff, in particular, UNFPA country directors in the Niger and Uganda. There were indications, however, that the pace of country programmes was accelerating in those two countries.

6. A number of delegations, including those of Canada, Japan and the Netherlands, had commented on the current resource distribution for priority countries. UNFPA was reasonably confident that, by 1993, it would achieve the 80 per cent level for resources to be allocated to priority countries because a large number of country programmes were to be submitted to the Council in 1991 and 1992 (25 in 1991 and 32 in 1992). A majority of such programmes would be for African countries, many of which were priority countries.

7. UNFPA shared the concern expressed by the United States delegation about contraceptive supplies for developing countries. In order to avoid unexpected disruption or shortfall of contraceptive supplies and to reduce unmet needs, UNFPA had organized an expert group meeting on the future situation. A report on that meeting would be submitted to the Council in 1991. In addition, the Fund would continue to conduct inter-agency consultations on the question, as well as consultations with bilateral donors. As increasing UNFPA resources were directed towards family-planning activities in developing countries, more contraceptives would be provided by the Fund.

8. The delegation of Canada had proposed that UNFPA should prepare a "simple" comparison of the past plan with its actual implementation. While UNFPA would like to incorporate that suggestion into the future work-plan paper, it wished to examine the usefulness and technical feasibility of such a comparison provided that it did not make the work-plan paper any more complicated than it was at present. UNFPA was not sure of the technical feasibility, mainly because the UNFPA work plan was a four-year plan on a rolling basis and depended on annual resources, unlike the fixed programme cycle of UNDP. He would welcome suggestions for improving and simplifying data presentation.

9. In connection with the annual increase in operational costs, UNFPA had managed to maintain the annual rate of 6 per cent for several years. The UNFPA rate could not be strictly compared with those of other agencies as, for example, it included agency support costs, which would be affected by the outcome of current discussions on that issue. UNFPA hoped, however, to maintain the 6 per cent rate of increase in the future.

10. The question had been raised why resource allocations for population policy formulation had been so low. That sector had traditionally included research activities on mortality and internal migration, which had increasingly been absorbed into population dynamics.

11. On the question of quality versus quantity, UNFPA had achieved a rather positive quantitative performance index, with resource utilization of 88.8 per cent in 1989. UNFPA was not complacent, however, and was certainly concerned with the quality of programme implementation, as reflected in its presentation of UNFPA evaluation activities. It would continue to improve its programme performance both quantitatively and qualitatively.

12. Most of the delegations which had referred to the request for programme expenditure authority, including those of Cuba, Japan, Mauritania and Norway, had endorsed UNFPA's request for such authority, as contained in paragraph 35 of document DP/1990/47. The Fund also welcomed the general support for the proposed resource-utilization programme for the 1991-1994 work plan as presented in that document. In particular, it had noted with appreciation that, while a number of delegations considered the proposed annual increase in income projection of 9.5 per cent to be over-optimistic, that figure had been accepted in general, subject to annual review by the Council.

13. Mr. EL FERJANI (Libyan Arab Jamahiriya) said that his delegation had not yet received an answer to the question which it had raised earlier regarding the methods used by UNFPA to avoid duplication of costs and work in the 1991-1994 programme between the general resources of the Fund and resources provided bilaterally.

14. Mr. KUNUGI (Deputy Executive Director, United Nations Population Fund) said that, during the preparation of the country programme, an assessment mission was formed and one of its first acts was to ascertain the resources available from other agencies in the United Nations system and those available multilaterally and bilaterally. The country programme proposal was then examined at headquarters and, following approval by the Governing Council, was implemented. Implementation was closely monitored, both in the field and at headquarters, and the relevant data were closely followed so that other sources could be brought into play or the resource utilization rate modified. Where multilateral-bilateral aid was not available at the time of adoption of the country programme, UNFPA might use regular resources. The allocation was not fixed. Globally, it was the aggregate of country programme performance that determined the figure reported in the financial implementation document. At the forthcoming OECD meeting, UNFPA would continue to share its data regarding current and future resource availability from all agencies in the population field so that there would be no duplication. Complementarity would be encouraged in all possible ways.

15. The PRESIDENT announced that the Governing Council had thus concluded its deliberations on population questions.

The meeting rose at 10.40 a.m.

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GOVERNING COUNCIL

Thirty-seventh session

SUMMARY RECORD OF THE 18th MEETING

Held at the Palais des Nations, Geneva,
on Friday, 1 June 1990, at 3 p.m.

President: Mr. POPESCU (Romania)

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Other funds and programmes

(f) United Nations Development Fund for Women

(g) Technical Co-operation among developing contries

(i) Report of expert committee

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The meeting was called to order at 3.35 p.m.

OTHER FUNDS AND PROGRAMMES (agenda item 8)

(f) UNITED NATIONS DEVELOPMENT FUND FOR WOMEN (DP/1990/62)

1. Mrs. CAPELING-ALAKIJA (United Nations Development Fund for Women), speaking in introduction of the Administrator's report on the activities of UNIFEM (DP/1990/62), said she would begin with management questions. In 1989, 95 per cent of the activities on the work plan had been accomplished, largely as a result of increased emphasis on planning and decentralized management. The redeployment of staff had strengthened capacities in monitoring and evaluation and enhanced the provision of technical expertise in priority sectors. In addition, UNIFEM had recently implemented a computerized Project Budget Management System, which should enable it better to manage its programme in several respects.

2. The Council had approved the introduction of a partial funding approach and asked to receive an evaluation of it. According to that evaluation, UNIFEM's contribution base was broad and strong enough to permit continuation of partial funding. As for the formula to determine the reserve requirement, the consultants in charge of the evaluation had recommended applying a new formula which took into account forward commitments as well as current commitments, and which had resulted in the release of some $2 million for programming purposes.

3. Overall, UNIFEM's delivery in 1989 had been less than expected, but with the structural changes now complete, the Fund would focus more on delivery, monitoring and evaluation in 1990-1991, and increases in delivery were to be expected. Total income, nearly $12 million in 1989, was already rising, for countries were increasingly aware of the critical role that women played in the development process. Of particular note, among the pledges, had been significant increases by Finland, Sweden, Italy, the United Kingdom and Zaire. In addition to its significant core contribution, the Government of Canada had recently announced a $6 million contribution over the next five years in support of UNIFEM's WID Strategy for the region of the Southern Africa Development Co-ordination Conference (SADCC). Thanks to a sound fund-raising strategy, the volume of contributions should increase further in 1990 and 1991.

4. UNIFEM's mobilization efforts had also yielded positive results: at the end of 1989, there had been seven National Committees; there would be 10 new Committees by the end of 1990. In 1990, the Fund would for the first time present awards to leading personalities representing models for the integration of women in development; the awards would be regularly financed by the Noel Foundation. That new initiative should also serve to increase awareness of UNIFEM and create new financial support for the Fund.

5. Turning to the Fund's programme, she emphasized that the essential task of UNIFEM was its assistance to poor women in developing countries. Thus, UNIFEM's programmes promoted small-scale innovative activities permitting improved productivity and self-development by women, each with the potential to be multiplied many times over. The main priorities were food security, food technology, credit and micro-enterprise and, finally, work at the policy level to ensure that national planning provided for women's activities and heeded their requirements.

6. Since its establishment, the Fund had been entrusted with the mandate to serve as a catalyst for integrating women into mainstream development activities. The activities conducted since 1985 had been assessed and published (the English version was entitled "Women on the Agenda"). While giving credit to UNIFEM's achievements, the assessment also identified persisting gaps. In particular, there was still a great deal of work to be done to clarify and improve understanding of the relationships between macro-policies (structural adjustment, environmental protection, demographic policy) and their effects at the individual level, in everyday life. Experience of programming with women had long shown that development based on the primacy of economic motivations, was not an accurate reflection of reality; development action was only successful when it recognized the centrality of people. In any case, the evaluation confirmed that UNIFEM should continue in the 1990s to build on its past involvement in the WID movement and promote new strategies for enhancing the role of women in development.

7. Mr. KRAMER (Canada) noted the dynamism which UNIFEM was displaying in discharging its mandate. It was justified in not dispersing its efforts and focusing its activities on a limited number of sectors chiefly relating to the economic role of women. Thus, by developing expertise, UNIFEM would be able gradually to apply more globally, while adapting it in each case to local circumstances, the experience gained in food cycle technologies and credit programmes related to women in Africa.

8. The restructuring within UNIFEM also seemed satisfactory. However, his delegation would be glad to learn more about how the monitoring and evaluation activities were conducted and how the lessons learned were integrated into new programmes. He would also like to know how UNIFEM intended to ensure that its experience was shared with the development community at large.

9. His delegation would like to know what, in the Director's view, was the appropriate balance between core and trust fund contributions, for UNIFEM seemed to be an increasingly attractive vehicle for multi-bi financing. He would also like to know how UNIFEM chose the projects which it would assist.

10. His delegation endorsed in principle the recommendation to maintain the partial funding modality but would like further details on the subject.

11. Mr. RADE (Netherlands) noted that UNIFEM had a vital role to play in demonstrating to development funding agencies how the interests of women could best be integrated into the development process. In the field, UNIFEM was justified in giving priority to activities designed to enable women to make a greater contribution to development, but it should also endeavour to increase the benefits of development projects for women. Thus, women themselves should define what their needs were. To that end, more attention should be given to organizing women, teaching them how to form lobby groups and eliminating certain obstacles, such as violence against women, which was an impediment to their participation in economic and social development processes.

12. In project implementation, the Fund should give the greatest consideration to the views of the poorest women, those least able to make their voices heard. In his delegation's opinion, the activities UNIFEM had been conducting for several years to foster the integration of women into mainstream development activities should be given a thorough assessment at a future session of the Governing Council.

13. Mr. MALMIERCA (Cuba) said that the Fund had proved its capacity to foster more active participation by women in the development of their countries. The catalytic effect of its activities was attested in particular by the financing of certain projects.

14. In the Latin American and Caribbean region, UNIFEM's work was proving highly successful, both at the population and decision-making levels, in three priority areas: agriculture and food security, environmental protection and income and employment. In pursuing its work, the Fund should seek further to strengthen its co-operation with the other bodies of the United Nations system, in particular UNDP.

15. His delegation hoped that the partial funding modality, which the independent consultants had recommended should be maintained, would give the Fund the necessary flexibility and effectiveness. His delegation was pleased to note that the Fund's resources had increased by 35 per cent in 1989, and it hoped that donors would continue to raise the amount of their voluntary contributions.

16. Mr. LIU Lianke (China) said that UNIFEM's balance-sheet was already satisfactory, only a few years after its establishment. In 1989 alone, the Fund had initiated 33 projects, modest financially and in scope but undeniably useful. The changes made in project management and in the Fund itself should enable it to extend its work as catalyst to a wider audience.

17. But UNIFEM itself could not fully resolve the problem of integrating women in development. The entire international community must make a stronger commitment to improving the social and economic circumstances of women throughout the world and increase its support for UNIFEM. The pledges were still insufficient, and the donor countries should make higher commitments. China, which had excellent relations of co-operation with UNIFEM, was prepared further to strengthen those links.

18. Mr. SØRENSEN (Denmark), speaking on behalf of the Nordic countries, said that those countries attached high priority to the work of UNIFEM and that, given UNIFEM's mandate, they found document DP/1990/62 somewhat disappointing. Instead of a detailed description of the activities undertaken, the Nordic countries would have preferred a short analysis, which would have made for a more constructive discussion. However, an assessment of UNIFEM's mainstream activities was under way, and the Nordic countries looked forward to being presented with the results of that assessment at the next session of the Governing Council.

19. The establishment of long- and short-term priorities had been part of the recommendations of the Norwegian evaluation report submitted in 1987. Document DP/1990/62 did not reveal much priority-setting, and the Nordic countries hoped that in 1991 there would be a report spelling out the priorities in greater detail and establishing a clear link between them and the Fund's activities.

20. Although they had confidence in the UNIFEM Consultative Committee's overview of projects and activities, the Nordic countries were somewhat preoccupied by the geographical distribution of funds, which was far from reflecting the poverty-based distribution of UNDP funds at large. Although there might be sound reasons for that situation, the Nordic countries hoped

for a better balance in the future. They had noted with satisfaction an improvement in the co-operation between UNIFEM and other United Nations bodies, in particular UNDP. The Nordic countries underlined that a clear distinction of work between UNIFEM and UNDP/WID was of great importance for the effective work of both entities, but that the experience and lessons learned by UNIFEM should be disseminated to UNDP and other United Nations implementing agencies, which was one of UNIFEM's main tasks.

21. Ms. PRADEL (Federal Republic of Germany) expressed appreciation for the detailed report on UNIFEM's activities in 1989 and particularly welcomed the process of strategic planning, which was a useful instrument for concentrating activities and improving UNIFEM's management capacity. Her delegation strongly supported UNIFEM's opinion that, taking into account its limited financial and personal resources, its activities should be strategic, i.e. they should concentrate on innovative activities that had a multiplier effect through other agencies. UNIFEM should also seek to influence development decision-making to increase the capacity of Governments, institutions and agencies to take account of gender issues. Her delegation also supported UNIFEM's efforts further to sharpen its different regional strategies, a positive example of which was the Asia and Pacific Development Strategy. It suggested that the Fund should develop similar strategies for other regions, such as Africa. Such a clear and limited set of working priorities was necessary to avoid duplication of activities. Thus her delegation fully supported UNIFEM's efforts to strengthen its capacity to monitor, evaluate and disseminate the findings of its activities.

22. With regard to the programme "Women and Food Cycle Technologies", her delegation welcomed the importance UNIFEM had accorded to the participatory approach, the strengthening of executing agencies and the use of local technologies. However, before globally expanding that programme, UNIFEM should carefully evaluate the experience gained in Africa and that of other international organizations active in the field, such as FAO and IFAD.

23. To help women better to articulate their interests and needs, particular importance should be given to the establishment of women's organizations. In that context, UNIFEM should co-operate with non-governmental organizations from developing countries. Thus it should carefully evaluate and take into consideration the successful experiences of non-governmental organizations such as that of the Grameen Bank in Bangladesh or SEWA in India.

24. Finally, her delegation encouraged UNIFEM to deepen its contacts with WID focal points in specialized agencies and would like to know more about the possibilities of co-operating with UNIFEM's newly established Knowledge Bank.

25. Mr. CHAMPASSAK (Australia) said that UNIFEM's mandate coincided with Australia's commitment to promoting the interests of women in all sectors of development. In early 1990, the Australian Government had invited the UNIFEM Director to launch the Australian UNIFEM National Committee at Brisbane. Her visit had also given Australian non-governmental organizations the opportunity to learn about UNIFEM's activities for the purpose of co-operating with UNIFEM's work in furthering the interests of women in the developing world.

26. Concerning the regional allocation of UNIFEM's funds, he expressed concern at the imbalance that worked against the Asian and Pacific region. In addition, the objectives of the project mentioned in paragraph 25 of document DP/1990/62 might have been covered in more detail, for it was the first major intervention by UNIFEM in the Pacific region, which often had difficulties achieving due attention and resources from international agencies.

27. He commended UNIFEM for its "impacts point" strategy within the context of the Asia and Pacific Development Strategy. As one of UNIFEM's aims was to disseminate information to larger donors, the establishment of a Technical Support Unit was a positive step. On the matter of project design, some inadequacies in the existing UNIFEM project document format raised implementation problems for the UNDP field offices, especially with regard to financial planning and monitoring of UNIFEM projects where there were several sources of funding. He recommended to the UNIFEM Director that a project document model similar to that of UNDP should be used. Another problem was that UNDP Resident Representatives tended to use the most junior staff to monitor UNIFEM projects and programmes. He proposed that UNIFEM should conduct "sensitization programmes" within UNDP in order to ensure that UNIFEM's programmes were given higher priority than was currently the case.

28. Australia believed that the emphasis in the African region on food and agriculture, enterprise development, etc., was valuable. However, certain projects had raised problems with the male population, which resented the success of women-oriented programmes, and it should therefore be ensured that men were informed about the programmes and were involved in complementary activities.

29. His delegation noted with great interest UNIFEM's Credit Support System (CRESS). During the recent visit to Australia by the UNDP Resident Representative in Fiji, Australia had expressed interest in a possible joint collaboration on promoting a credit/co-operative scheme for women based on the Grameen Bank model in Bangladesh. It would like to know whether CRESS was the appropriate mechanism for that scheme. Finally, his delegation intended to participate in the consideration of UNIFEM's 1990/1991 biennial budget at the forthcoming meeting of the Budget and Finance Committee.

30. Ms. FEENEY (United States of America) commended UNIFEM's process of strategic planning, particularly the fact that UNIFEM was concentrating on innovative activities which not only met women's needs for improved participation in development, but also exercised a multiplier effect through other institutions. Her delegation also commended UNIFEM's use of regional and subregional strategies developed in consultation with Governments, women's groups, and United Nations agencies. UNIFEM's support for women's access to food technologies and to credit and financing for micro-enterprises was a positive step. Co-operation with Governments and larger agencies allowed projects of far greater scope than would be possible with UNIFEM's own resources.

31. She noted with satisfaction UNIFEM's project in the Philippines and its support to the Philippines National Commission on Women.

32. UNIFEM had identified or revitalized four major objectives: (a) the role of women in private-sector development; (b) access to institutional credit and policy support; (c) informal financial markets and women; and (d) the effects

of inflation on women. The United States supported that approach, particularly the emphasis on private-sector development. It was also pleased to note that the Knowledge Bank had become operational.

33. In the framework of its co-operation with other agencies, UNIFEM had recently been working with UNDP's Environmental Action Team to promote greater recognition of women's work in that area. The United States fully supported that type of co-operation and noted that the question of women and the environment would be discussed at the 1992 session of the United Nations Commission on the Status of Women.

34. Finally, her delegation supported the new procedures introduced in strategic planning and the redeployment of staff to enhance management. Those changes should increase UNIFEM's capacity to identify, assess and disseminate the lessons learned through improved monitoring and evaluation.

35. Mr. COUSINS (United Kingdom) congratulated the UNIFEM Director and staff on their achievements during the past year and the detailed nature of the report. However, his delegation was concerned that the over-emphasis on project activities and the tendency towards tied contributions might lead to the marginalization of women's concerns, which was quite the reverse of UNIFEM's intent. Perhaps a better strategy would be to set targets for achievement and support projects which helped attain those targets. His delegation was also concerned that tied contributions now represented over 50 per cent of the contributions to general resources; such undue dependence on donor aid might prevent UNIFEM from setting priorities. It would like to know whether those contributions derived from specific requests by UNIFEM or whether the projects and accompanying funding had been offered by the respective donors.

36. His delegation welcomed the emphasis on activities which would benefit the poorest communities and would like to know what percentage of UNIFEM's project expenditure was spent in the least developed countries.

37. On the subject of credit, he commended the recognition of informal financial markets and was pleased to note that each of the credit projects included an element of negotiation with the formal sector, which should in the long term promote an increased awareness of women's requirements and potential and improve their access to conventional credit sources.

38. He noted that the results of the study on the effects of inflation on funds providing concessional credit facilities would have an impact on the future management of such funds. Regarding the evaluation of activities, it welcomed the emphasis on identifying critical variables for sustainable development. Provision of relevant documentation to Governments and other funding sources would be useful for future planning and would reinforce UNIFEM's credibility as a source of reference for women's issues.

39. His delegation strongly supported the proposals for the new partial funding formula, which seemed to provide a sound operational system.

40. Mr. ISMAIL (Libyan Arab Jamahiriya) welcomed UNIFEM's efforts to attain the objectives corresponding to its mandate. He supported the role which UNIFEM was playing in Africa in implementing of the Lagos Plan of Action and

the United Nations Plan of Action for African Economic Recovery and Development (UNPAAERD), as well as its efforts to apply the Nairobi Forward-looking Strategies. He endorsed its role as co-ordinator with other competent international agencies and supported its working methods. He hoped UNIFEM would take account of the particular aspects of women's situation according to region as well as the different traditions.

41. The Libyan Arab Jamahiriya approved of the ongoing assessment of UNIFEM's activities, including those conducted by other agencies. It had done much to promote the participation of women in development in all sectors of the country, where women held high-level posts in various fields.

42. Mr. OLANIYI (Nigeria) expressed appreciation for the report on UNIFEM's activities, identified with the views and concerns expressed in the report and assured UNIFEM of its support and co-operation. He would like to draw attention to the Fund's support to strengthening regional, subregional and national institutional capacity for greater integration of women in development programming and planning. He noted with satisfaction the recent UNIFEM mission to Nigeria with a view to increasing its technical assistance to Nigeria in the coming biennium.

43. UNIFEM had made significant contributions towards meeting the objectives of UNPAAERD. In particular, it had been entrusted with preparing two progress reports presenting the views of a number of multilateral agencies involved in WID issues.

44. Ms. BWANGA-BUGONZI (Observer for Uganda) said that UNIFEM's focus on promoting the participation of African women in scientific and technical fields was long overdue. Her delegation would appreciate the immediate initiation of preparatory work in that area, since the government body responsible for that field was still not adequately experienced and equipped. Women's accessibility to institutional credit was acknowledged to be minimal, due in particular to lack of collateral, illiteracy and various cultural problems.

45. UNIFEM should put greater emphasis on needs assessment, delivery and follow-up. Her delegation welcomed the plan to focus more on the integration of environmental and women's issues, for women were the major actors in that area. Providing greater support for women's participation in national planning was paramount, and UNIFEM should stimulate understanding of women's issues by ministries. Above all, it should be recognized that while women played an important role as providers of food and managers of the home in particular, far too many of them were still illiterate and insufficiently informed. Raising women's literacy levels would go a long way towards combating disease, poverty and underdevelopment and increasing women's participation in sustainable development.

46. Her delegation recommended active national participation in women's projects and more use of local experts, who knew the most about the cultural beliefs and practices of the target groups, which could help reduce delays in project implementation. Finally, it should be noted that in Uganda, the situation was politically ripe for promoting women's activities.

47. Mr. URBINA FUENTES (Observer for Mexico) said that greater attention should be given to the four strategic sectors proposed by UNIFEM than to policies. His delegation believed that within those operational sectors, greater consideration should be given to research, training, programming institutionalization and the data system.

48. The population variable should also be incorporated into development planning, and women's participation should be taken into account in the elaboration and implementation of population programmes.

49. Mr. KHAN (Pakistan) welcomed the role played by the United Nations in promoting the status of women, a role which would contribute without any doubt to helping women participate more actively in their countries development. Pakistan had made regular contributions to UNIFEM, for a total amount of some $85,000 in 1989. For 1990, it had pledged PRs 125,000. Pakistan would continue to participate in United Nations activities for women.

50. Mr. EL GHAOUTH (Mauritania) noted with satisfaction that UNIFEM was emphasizing its activities in Africa, a continent that was undergoing an economic crisis of unprecedented seriousness. Moreover, it was in Nairobi that the Forward-looking Strategies for the Advancement of Women had been adopted and that the summit meetings among African Heads of State and Government had also discussed that aspect of regional problems.

51. His delegation was satisfied with the Fund's sound financial situation and expressed its gratitude to the many donors. It took due note of UNIFEM's efforts to mobilize resources through co-financing arrangements and of the projects financed in Africa. It would like to see UNIFEM continue to favour programmes rather than projects. UNIFEM should also continue, during the fifth programming cycle, to make foreseeable, long-term contributions to country programmes as it had done during the fourth cycle, so that countries would have advance knowledge of the amount of resources they would have available.

52. He welcomed the fact that the negative effects of the adjustment programmes implemented by most of the African States had been taken into account in UNIFEM's report. The reference to the Abuja Conference in the report was also positive.

53. Mr. NZENGEYA (Zaire) stated that the world's women represented a significant potential that should not be neglected when development programmes were drawn up. Experience gained in industry, agriculture and other sectors by women in the developed world should be shared with women in the developing world, and UNIFEM had an important role to play in that respect.

54. Access by women to credit facilities and subsidies for conducting projects in the small and medium-sized enterprise sector was an important step towards their effective integration into the development process.

55. Zaire was fully in favour of UNIFEM's activities, and it pledged to co-operate very closely with UNIFEM to strengthen the role of Zairian women in the various sectors of economic and social development in Zaire.

56. Mrs. CAPELING-ALAKIJA (United Nations Development Fund for Women) said that in a body such as UNIFEM which was very active and was also going through a period of transition and change, new elements were constantly arising and it was not always possible to mention them in the documents under consideration, which were often prepared long before the date of the meetings for which they were intended. She had attempted to fill such gaps in her introductory statement.

57. UNIFEM had indeed set priorities and identified four sectors considered to be of strategic importance for women. It would concentrate its activities on those sectors. UNIFEM's mandate obliged it to take into account new problems of interest to women as and when they arose. Since the importance of women was being acknowledged increasingly and since the major financing bodies were increasing their aid, UNIFEM would be able to devote itself to previously-neglected sectors.

58. Regarding programming methodology, she had been pleased to note that the members of the Governing Council approved of the participatory approach and to hear the representative of the Netherlands stress the fact that women should be helped to organize. However, that would require resources, experience and time.

59. UNIFEM worked extensively with Governments, but also with non-governmental organizations whose help was at times a decisive factor. As the delegation of the Federal Republic of Germany had noted, their contribution to UNIFEM was significant.

60. The Monitoring and Evaluation Unit had been established because it had been realized that UNIFEM was not devoting enough human and financial resources to those functions. The Unit would be in charge of approving UNIFEM projects. Monitoring and evaluation, therefore, were a priority.

61. In reply to the delegation of the Federal Republic of Germany, she said that there had been an evaluation of the methods used by UNIFEM to give women access to food cycle technologies and that the global programme had been prepared on the basis of its findings.

62. The Knowledge Bank would also be evaluated, in co-operation with UNDP's Division of Management Information Services, but in the interim a recent, up-to-date document on the Knowledge Bank was available to interested delegations.

63. UNIFEM had reached the stage where its priority was to mobilize funds intended for the core of the resources. It used multibilateral arrangements for certain of its projects dealing with a particular priority sector when it identified a multibilateral donor with identical priorities. Since UNIFEM was not yet well known, that type of arrangement enabled it to establish a relationship with such donors, in the hope that it would translate into future contributions to UNIFEM's core.

64. UNIFEM's policy was to distribute the core of its resources equally among the regions, giving priority to the least developed countries. Since it did not have the means fully to meet the enormous needs of women, UNIFEM had chosen a strategic approach and decided to act in sectors where it believed it could stimulate the main sources of assistance to contribute more resources.

As for the proportion of resources allocated to Asia, it was true that in absolute terms there were more poor women in Asia, and particularly in Bangladesh, than in all of Africa, but once again, needs were not the Fund's only criterion. In 1990, the resources allocated to Asia would be equivalent to those assigned to other regions.

65. Mr. CABACTULAN (Philippines) said that, with regard to the distribution of resources, he had not found the replies of the Director of UNIFEM to be either very complete or very satisfactory. Needs could not be excluded as distribution criteria, and he hoped that in the future greater consideration would be given to the multitudes of disadvantaged living in Asia, who included many women. However, his delegation paid a tribute to UNIFEM for its efforts on behalf of women, which were clearly attested by the activities and projects conducted in the Philippines.

66. He believed that partial funding should continue in the framework of the new method chosen, with regular adjustments of the amount of the reserve fund, at least twice a year, in order that the volume of available funds should follow the general development of commitments during the year.

67. The CHAIRMAN noted that the general debate on the item was concluded; if he heard no objection, he would take it that the Council authorized the Drafting Group to prepare a draft decision on the subject.

68. It was so decided.

(g) TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES

(i) REPORT OF EXPERT COMMITTEE (DP/1990/77)

69. Mr. CHADHA (Special Unit for Technical Co-operation among Developing Countries), reviewing the principal TCDC activities conducted by the Special Unit in 1989 and 1990, noted that TCDC was becoming firmly established: 12 countries in all regions of the world had requested - or were currently receiving - aid from the Special Unit. In the framework of its assistance activities, the Unit had encouraged countries in so far as possible to organize each of their activities around a particular sector, for it knew from experience that project quality improved as a result. It had also attempted to help developing countries share with each other, at the interregional level, the technical capacities they had in certain fields, and it hoped to expand that type of transfer as part of a workshop to be held during 1990. Tanzania, for example, had asked the Special Unit to help it organize a programme planning operation at the interregional level; thus, in December 1989, 206 projects had been formulated at Arusha.

70. In May 1990, the Special Unit had helped the major non-governmental organizations in the developing countries to meet at New Delhi to set up 60 or so TCDC projects. Generally speaking, in consultation with UNIFEM, it had contributed to the preparation or financing of several TCDC projects relating to women.

71. What was important in that respect was that a large number of developing countries were prepared to help each other, under conditions set by themselves, for the purposes of implementing and following up development activities, and United Nations bodies intervened only if necessary to help

them formulate projects or provide them with seed money. Requests to the Special Unit for assistance had doubled or even tripled in comparison with 1987, and he welcomed the success thus achieved by TCDC activities.

72. Regarding the report of the meeting of the Group of Governmental Experts (DP/1990/77), he pointed out that the High-level Committee had entrusted the Group of Experts with the formidable task of identifying the impediments to technical co-operation among developing countries and the changes to be introduced to the rules, regulations and procedures of the governing bodies of United Nations agencies in order to overcome those difficulties. Members of the Special Unit had acted as the secretariat of the meeting, in which the representatives of certain specialized agencies and several UNDP bodies had participated; several agencies had submitted documents at the request of the Special Unit. The experts, who had numbered 12, had done excellent work: they had succeeded in simplifying a number of concepts and had dealt with certain issues with great insight.

73. Because the meeting had been held late, the Administrator had not been able to present the Governing Council with a comprehensive report detailing the observations of United Nations bodies on the recommendations of the Group of Experts; he did, however, intend to discuss that subject with the representatives of those bodies at the meeting of their TCDC co-ordination centres, to be held at Geneva on 5 June. He invited delegations to take the opportunity provided by that meeting to establish contact with the co-ordination centres and attend the forthcoming demonstration of the Information Referral System for TCDC (INRES-South), which could help them determine which agencies among the 4,000 identified by the System in more than 100 developing countries would be in a position to implement TCDC projects.

74. Mr. LIMA (Brazil) recalled that Brazil had been one of the countries to request the meeting of the Group of Governmental Experts, to which it had sent an expert. The meeting had proved most fruitful, both with regard to the in-depth assessment of the implementation of the Buenos Aires Plan of Action and for the specific measures proposed to strengthen, improve and increase TCDC activities within the United Nations system. He endorsed the report of the Group of Experts and particularly the recommendations in paragraph 69, which described the roles that United Nations bodies should play in formulating and implementing TCDC projects.

75. Mr. MALMIERCA (Cuba) noted that Cuba, which attached great importance to technical co-operation among developing countries, had participated in all the meetings on that subject since the Buenos Aires Conference in 1978, and quite recently, in that of the Group of Governmental Experts. The Cuban Government firmly supported the recommendations of the Group of Experts, in particular the measures aimed at sensitizing the parties concerned, improving information on TCDC, establishing co-ordination centres or strengthening existing centres and allocating greater financial resources to TCDC activities. Similarly, it supported all the activities conducted by the Special Unit on Technical Co-operation among Developing Countries, in particular its initiative to hold an annual meeting of TCDC co-ordination centres before the ordinary sessions of the Governing Council.

76. Mr. LIU Lianke (China) said that China unreservedly supported TCDC, which could only foster the progress and self-sufficiency of developing countries, and was prepared to co-operate with all countries fully to implement the Buenos Aires Plan of Action.

77. In 1989, the Special Unit had organized various intergovernmental meetings, where many developing countries had been able to come to an agreement on a set of co-operation activities, on the basis of their needs and special capacities. Those meetings had done much to revitalize TCDC. Nevertheless, there was still a gap between what had been done and what should be done to strengthen that type of co-operation. To fill the gap, therefore, the Special Unit should attempt to remedy the lack of information on existing needs and capacities, continue and strengthen its specific activities and remain independent. For its part, the UNDP Governing Council should increase the component of the Programme's special resources in order to strengthen and expand TCDC activities.

78. Mr. ALGAN (Observer for Turkey), referring to a TCDC experiment in Turkey, said that at a meeting held in April 1987 in that country Turkey had set up, together with various developing countries, 247 TCDC projects, dealing in particular with consultation services, study programmes and internships. For two thirds of those projects, Turkey was the "donor" country, and for one third, the "beneficiary" country. Despite delays in implementing some of those projects and the difficulties encountered, Turkey believed in the need for and usefulness of technical co-operation among developing countries, which should be maintained, for it contributed to mutual understanding among those countries.

79. Mr. VARADACHARY (India) said that nothing could better favour the self-sufficiency of developing countries than TCDC activities. He congratulated the Special Unit on its excellent work. Nevertheless, the use of TCDC remained quite modest and basically covered short-term activities. It was therefore important for United Nations development agencies to allocate a larger proportion of their resources to TCDC projects and strengthen their system of information on that form of co-operation, as suggested by the Group of Governmental Experts. The Special Unit should also receive wider support and greater financing to be able to meet the ever-increasing requests for assistance from developing countries. He reminded the members of the Governing Council that, under General Assembly resolution 42/180, the organizations of the United Nations development system should take the necessary measures to enable each developing country to have the choice of executing each project on technical co-operation. Although it was urgent to take such action, consideration should also be given to the cost and complexity of the technology to be transferred and greater attention paid to non-traditional techniques.

80. Ms. COURSON (France) said that France was strongly in favour of TCDC, a form of co-operation which should be an integral part of national, regional and interregional programmes, for it offered the developing countries a further way of making progress by enabling them to pool their experience and technical capacities. It was unfortunate that, 12 years after the launching of TCDC by the Buenos Aires Conference, that type of co-operation had not taken root, due to lack of awareness and information, as indicated by the report of the Group of Governmental Experts. It was time for United Nations bodies to adopt a pragmatic approach towards TCDC in order to bring it out of

the experimental phase. However, it was for the developing countries to establish, within their national administrations, an atmosphere and mechanisms favourable to TCDC in order to promote that kind of technical assistance. As for the developed countries, they also had a role to play in that respect, for example by financing "triangular" operations organized around the development of regional or subregional institutions. On the whole, she endorsed the recommendations of the Group of Governmental Experts and hoped that they would be implemented by the different parties concerned, in order for TCDC to become a common form of technical assistance during the fifth programmming cycle.

The summary record of the second part of the meeting appears as document DP/1990/SR.18/Add.1.

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GOVERNING COUNCIL

Thirty-seventh session

SUMMARY RECORD OF THE SECOND PART */ OF THE 18th MEETING

Held at the Palais des Nations, Geneva,
on Friday, 1 June 1990, at 6 p.m.

President: Mr. POPESCU (Romania)

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Other funds and programmes (continued)

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(xiii) Sectoral support

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*/ The summary record of the first part of the meeting appears as document DP/1990/SR.18.

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OTHER FUNDS AND PROGRAMMES (agenda item 8) (continued)

(g) TECHNICAL CO-OPERATION AMONG DEVELOPING COUNTRIES (continued)

(i) REPORT OF EXPERT COMMITTEE (continued) (DP/1990/77)

1. Mr. KHAN (Pakistan) said that, in line with the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, UNDP was required to orient its activities, programmes and projects towards supporting the objectives of TCDC, which was an important vehicle for achieving self-reliance and promoting efficient use of developing countries' resources for their collective welfare. Within its limited resources, Pakistan had been implementing a modest programme of TCDC for more than two decades. Under that programme, technical assistance was provided on a unilateral basis to about 80 developing countries in Asia, Africa and Latin America, usually in the form of training facilities, expert services, equipment and seats in professional colleges and universities. In addition, his country had concluded a project agreement with UNDP on support of programmes between Pakistan and other developing countries. The main objective of that project, for which $100,000 had been earmarked from Pakistan's IPF, was to promote technical and economic co-operation among developing countries on a bilateral basis.

2. Pakistan was already co-operating with a number of developing countries in sharing technical know-how. An inter-governmental TCDC programming exercise had been held in Pakistan in 1988 with the co-operation of UNDP, resulting in the conclusion of about 146 project proposals with the 20 participating countries. Under those projects, Pakistan would provide 119 experts and about 105 training facilities to developing countries. The role of the Special Unit for TCDC as a catalyst for Pakistan's technical co-operation with other developing countries had been significant. It would be appropriate to consider strengthening the Special Unit to enable it to play its co-ordinating and supportive role more effectively, and to continue the financing of action-oriented TCDC activities from Special Programme Resources in the next programming cycle.

3. The developing countries must recognize the need to seek technical assistance from developing countries which had made advances in specific fields rather than turning to the developed countries. The arranging of seminars and workshops as part of the TCDC exercise could help to achieve that objective. Developing countries which had not yet done so should be encouraged to make allocations out of their country IPFs to promote co-operative arrangements with other developing countries. Countries at a comparatively advanced stage of development should offer technical assistance at their own expense to other developing countries in fields in which they had gained considerable expertise and specialization. Also, UNDP, the international financial institutions and developed countries might offer financial assistance for the implementation of technical co-operation programmes. Lastly, his delegation appreciated the valuable efforts of the Group of Governmental Experts on TCDC and would give serious consideration to its recommendations.

4. Mrs. GREDER (Sweden) said that the four Nordic countries on whose behalf she was speaking were strong supporters of TCDC as a modality for technical co-operation and believed that it should be pursued more vigorously during

the 1990s. Areas of development co-operation that were influenced by social and cultural factors seemed to offer particularly promising prospects for TCDC. One such area was collaboration between Islamic countries in the area of population. Another area was debt management, where employees of the Central Banks in Latin American countries stood to gain much from sharing experiences with other Latin American colleagues. A particular advantage offered by TCDC was that it led to capacity building and institution building, both in the developing countries receiving technical advice and in those developing countries providing it. Strengthening of national capacities was an important means to attain self-reliance.

5. TCDC was generally regarded as a matter for the countries concerned but the role of the international community should also be reaffirmed. The importance of information had been underlined by the Group of Experts. The Nordic countries believed that UNDP had a major role to play as a broker of TCDC by providing developing countries with information on where to find the relevant expertise in other developing countries and by facilitating contacts between experts and institutions.

6. Financing of TCDC should remain the primary responsibility of the developing countries. However, given the importance of that modality and the prospects for a more significant role for UNDP, the Nordic countries were prepared to consider an increase in the general resources of UNDP leading to a larger allocation for TCDC in the negotiations on the fifth cycle.

7. Mr. SMALLENBROEK (Netherlands) said that his delegation agreed with the findings contained in the report of the Group of Governmental Experts (DP/1990/77) regarding the main impediments to greater use of TCDC and supported the thrust of the proposals made to overcome them. It fully subscribed to the view expressed in paragraph 46 of the report that the financing of TCDC was the primary responsibility of developing countries themselves. They should increase the allocations to TCDC activities within their national programmes and budgets, and UNDP should give more emphasis to TCDC projects within their country IPFs. The report could have been more explicit in that respect.

8. His delegation agreed with most of the recommendations made in the report, including those for a strengthening of UNDP support to TCDC activities. In that regard, the INRES-South Information Referral System offered interesting possibilities, as did an expansion of the activities of the Special Unit for TCDC within UNDP. His delegation noted with interest the Administrator's proposal to increase the SPR for TCDC to $15 million. However, a final decision on that proposal would have to be taken within the framework of the fifth-cycle discussions.

9. Mr. ELGHAOUTH (Mauritania) said that his delegation wished to reiterate the importance which the African countries attached to a more effective implementation of the Buenos Aires Plan of Action. In that regard, the significant role played by the Special Unit for TCDC was to be welcomed and he hoped that additional financial resources would be made available for it to discharge its mandate fully. He observed that the findings of the High-level Committee on the Review of Technical Co-operation among Developing Countries had been made available to the Group of Governmental Experts. Those findings should be set before the Governing Council itself. Lastly, his delegation

took note of the Administrator's proposal to increase the SPR for TCDC in the fifth cycle. The proposed increase was substantial, although it still fell short of what was required to make the fullest use of the potential of TCDC.

10. Mr. EL-FERJANI (Libyan Arab Jamahariya) welcomed the clear presentation of the report of the Group of Governmental Experts (DP/1990/77) and supported its recommendations aimed at improving technical co-operation among developing countries. He wished to remind the Governing Council, however, that TCDC could not be constructive unless the necessary political will was shown by those countries with advanced technology to help developing countries to achieve the objectives of the Buenos Aires Plan of Action and to implement the strategies and resolutions relating to it. Lastly, he wished to pay a tribute to the untiring efforts of UNDP's Special Unit for TCDC.

11. Ms. FEENEY (United States of America) said that her country was firmly committed to the concept of TCDC and to the view that developing countries possessed skills which they could share for mutual benefit. It continued to support the principles set forth in the Buenos Aires Plan of Action and believed that the planning, financing and implementation of co-operative activities among developing countries must remain the primary responsiblity of the developing countries themselves. It had been pleased to see that the recent meeting of the Group of Governmental Experts continued to support that approach.

12. A major constraint would appear to be the need to devote greater attention to TCDC as a mode of implementation for projects other than those specificially designated as TCDC projects, namely those funded from country IPFs or other national resources. In that regard, the trend seemed to be towards increased national execution as a means of boosting TCDC efforts. Her delegation urged greater co-ordination with programmes such as the United Nations Volunteers as a way of providing a larger TCDC component in UNDP projects.

13. Mr. CHEKAY (Union of Soviet Socialist Republics) said that his country supported the promotion of TCDC activities through a variety of financial, technical and other measures, to whose systematization the Group of Governmental Experts had made an important contribution. His delegation agreed with the conclusions contained in that body's report (DP/1990/73), particularly on the use of TCDC modalities in national planning activities and programme implementation and on the establishment of national focal points for TCDC. Attention should also be given to the promotion of awareness and the improvement of information about TCDC. Technical co-operation among the developing countries should remain the primary responsibility of the developing countries themselves, and its effectiveness would be commensurate with the spirit of co-operation they displayed.

14. Mr. ABDEL-NASSER (Observer for Egypt) emphasized the importance of TCDC as a means for the developing countries to achieve economic integration and attain self-reliance. UNDP had a vital role to play in that regard. Resources were still inadequate, as noted in the report of the Group of Governmental Experts, and greater support was needed from the international community and in particular from the international financial institutions and developed countries. Egypt was pursuing TCDC activities especially through its fund for technical co-operation with African countries. It had also entered into triangular arrangements with international organizations and with developed countries.

15. Mr. CABACTULAN (Philippines) said that his country supported the recommendations of the Group of Governmental Experts, especially those contained in paragraphs 47 and 49 of its report. Governments should recognize that the modality needed to be developed in future through triangular arrangements involving third parties to enhance and expand TCDC. While the principal responsibility for TCDC must remain with the developing countries, it should not be forgotten that some areas to be covered by TCDC activities were global concerns which needed to be addressed by developed and developing countries alike. In an increasingly interdependent world, that principle had to be maintained.

16. Mr. VAN NORT (International Maritime Organization) said that, as the first executing agency to have rallied to the cause of TCDC, his organization welcomed the recommendations of the Group of Governmental Experts and was firmly committed to implementing all of them, especially those in paragraph 69 of the report. His delegation would shortly be arranging a meeting of focal points and looked forward to holding consultations with any interested delegations. He felt that IMO could accomplish a great deal more in promoting TCDC activities if the recommendations by some members of the Governing Council, especially the Nordic group of countries to the effect that UNDP should increase its brokerage role in facilitating contacts, were implemented.

17. Particular attention should be drawn to the observation in paragraph 17 of the report (DP/1990/77) concerning the inability of institutions from developing countries participating in TCDC projects fully to recover costs incurred on those projects, and to the relevant recommendation in paragraph 41 concerning the establishment of a suitable mechanism for the coverage of such costs. In the overwhelming majority of cases, IMO had to rely on the generosity of domestic institutions in financing TCDC activities for other countries out of their own budgets. The practical significance of the recommendation in paragraph 41 should be especially underlined.

18. Mr. RADZI (Malaysia) thanked the Director of the Special Unit for TCDC for his excellent presentation and joined with other speakers in calling for an increase in the allocation for the Unit to enable it to perform its mandate to its fullest potential.

19. Mr. JASINSKI (Poland) said that the opportunities and possibilities for TCDC had changed since the Buenos Aires Conference as a result of unprecedented developments in the global political climate and economic reforms in many countries which had drawn the lessons from their disappointing experiences of the 1980s. The United Nations development system had also embarked on a major restructuring exercise. The time was therefore ripe for the international community to rededicate itself to the Buenos Aires Plan of Action. The current rethinking of the role of the State in the economic and development spheres should result in a larger involvement of all sectors, including non-governmental organizations and individuals, in that process. Respect for the principle that recipient Governments had sole responsibility for co-ordination of external assistance and the principal responsibility for its design and management was the key to the enhanced effectiveness of international economic co-operation and of TCDC in particular. His delegation welcomed the recommendations contained in the report of the Group of Governmental Experts (DP/1990/77) and hoped that they would be reflected in future UNDP activities.

20. Mr. CHADHA (Director, Special Unit for Technical Co-operation among Developing Countries), responding to the points raised by delegations, welcomed the positive suggestions made with a view to improving the work of the Special Unit. He shared the concerns expressed by various speakers regarding the lack of awareness and information about TCDC so many years after the adoption of the Buenos Aires Plan of Action. While shortage of financial resources was often an impediment, it was not the only one: another problem was administrative weaknesses in the participating Governments themselves. In 1990, the Special Unit had appointed a training officer to assist in that matter and hoped to establish training programmes and training interaction shortly on a much larger scale with countries requesting such assistance. A training programme undertaken recently in Baghdad in co-operation with the Government concerned and the local UNDP office had produced extremely encouraging results.

21. The Special Unit had been pleased to assist in the inception and implementation of the TCDC programming exercises mentioned by the representatives of Pakistan and Turkey, and was also helping to set up so-called umbrella TCDC projects, involving some 35 countries world-wide. In 1989, it had assisted in the formulation of five or six umbrella projects in the African region alone. The Special Unit was launching a number of other initiatives, too, such as a meeting of TCDC focal points to be held shortly in the Maghreb region with a view to setting priorities for areas of co-operation. It was also working closely with IMO in programming TCDC maritime activities in Latin America.

22. The lesson to be drawn from the past few years was that TCDC really worked. Some 2,200 projects, involving more than 100 developing countries, were currently being planned or implemented and would need less than $10 to $15 million of assistance from UNDP and the specialized agencies. That figure underlined the fact that most were small projects. It was to be hoped that the experience gained would lead to operational TCDC projects on a larger scale.

23. It should, however, be pointed out that, 12 years after the Buenos Aires Conference, there was still misunderstanding as to what TCDC meant. Projects employing the services of experts from developing countries or projects utilizing United Nations Volunteers, for example, were not TCDC projects. Likewise, a project executed by an agency in which many developing countries were participating might be a good project, but it was not TCDC. According to the definition incorporated within the mandate of the Special Unit, TCDC projects were only those projects which were managed and executed by the developing countries themselves. The essence of the modality was to assist the developing countries to achieve self-reliance.

24. The PRESIDENT said that the Governing Council had thus completed its general discussion of the item under consideration. If he heard no objection, he would take it that the Council agreed that the Drafting Group should begin the elaboration of a draft decision on technical co-operation among developing countries.

25. It was so decided.

PROGRAMME IMPLEMENTATION (agenda item 4) (continued)

(b) IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERNING COUNCIL AT ITS PREVIOUS SESSIONS (continued)

(xiii) SECTORAL SUPPORT (DP/1990/73)

26. Mr. GUCOVSKY (Deputy Assistant Administrator), introducing the report of the Administrator on sectoral support (DP/1990/73), said that the Administrator was recommending that the presentation of the sectoral support programme review requested by the Governing Council in its decision 87/48 should be postponed until the 1991 session for the reasons set out in paragraph 13 of his report. In particular, the changes in the management of the SIDFA programme had taken effect only on 1 January 1990 since the finalization of the agreement between UNDP and UNIDO had been delayed until April 1989. Also, UNIDO was studying a long-term financing scheme for the SIDFA programme, to which UNDP's financial contribution would be made on the basis of the resources available, the results of the internal review and the level of UNIDO participation. The postponement would, in addition, enable the review to include the benefit of three years of experience with the new procedures established for the management of the sectoral support programme to the 11 smaller agencies.

27. A tentative allocation of $30 million was therefore proposed for the sectoral support programme in the fifth cycle. A new redistribution of resources between the two sub-programmes as well as among smaller agencies was anticipated as a result of the review of the programme during the last quarter of 1990. The review would also benefit from the current discussions in the Governing Council and from any guidance it might provide.

28. Mr. MALMIERCA (Cuba) said that the Administrator's recommendations were very relevant. His delegation welcomed an independent review of the whole sectoral support programme in the second half of 1990 and agreed with the suggestions made in paragraph 13 (a) and (b) of the Administrator's report. It also supported in principle the proposed tentative allocation of $30 million for the sectoral support programme in the fifth cycle on the understanding that that figure could be amended in the light of subsequent substantive discussions.

29. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said that his delegation had taken note of the report of the Administrator and had no difficulty in accepting the proposals contained therein.

30. Mr. CHEKAY (Union of Soviet Socialist Republics) said that his delegation shared the Administrator's view that a postponement of the detailed review until the thirty-eighth session was desirable for the reasons given in his report. It could also agree to the proposal for a tentative allocation of $30 million in the fifth cycle to the sectoral support programme, for which the resource level should not be disproportionate to that for the fourth cycle.

31. Ms. DUDIK-GAYOSO (United States of America) said that her Government appreciated the need to have sufficient accumulated experience with the new arrangements covering the SIDFA programme prior to conducting a comprehensive

review. Her delegation took note of the recommendations in the Administrator's report, but would be raising other aspects of the issue under other agenda items, for example in respect of support costs and the fifth programming cycle.

32. Mr. CABACTULAN (Philippines) said that his delegation was in general agreement with the Administrator's recommendations, which, as the previous speaker had pointed out, should be considered in the light of other interrelated matters such as agency support costs and the fifth cycle. At the same time, it was important to ensure that the SIDFA programme and support for the smaller agencies would continue without disruption whatever form the final arrangements took.

33. Mr. BURLEY (United Nations Conference on Trade and Development) said that UNCTAD had found the sectoral support arrangements provided by UNDP indispensable in its efforts to enable developing countries, especially those with little or no representation in Geneva, to make the best possible use of the agency's technical co-operation services. Through the sectoral support programme, UNCTAD was undertaking such programmes as demonstrating software packages for customs administration and debt management and was arranging short-term advisory missions covering areas such as shipping, port management and tariff harmonization. It was also launching several new initiatives, including one programme on training and human resources development and another on enterprise promotion in the trading sector.

34. Most of the scenarios being considered for the new support cost arrangements included proposals to facilitate the development of the specialized agencies' technical capacity for co-operation with developing countries, whether or not the agencies were to execute projects in the traditional sense. UNCTAD welcomed that approach. In that context, it might be desirable to include in future sectoral support arrangements a specific mandate to support Governments for the effective design and implementation of projects which they themselves would be executing.

35. Mr. GUCOWSKY (Deputy Assistant Administrator) said that all of the views expressed by delegations would be taken into account during the review of the sectoral support programme during the last quarter of 1990. Likewise, related points made during the Council's discussion of other agenda items would be duly reflected in the review.

36. The PRESIDENT said that the Governing Council had thus completed its general discussion of the item under consideration. If he heard no objection, he would take it that the Council agreed that the Drafting Group should begin the elaboration of a draft decision on sectoral support.

37. It was so decided.

The meeting rose at 7.10 p.m.

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GOVERNING COUNCIL

Thirty-seventh session

SUMMARY RECORD OF THE 19th MEETING

Held at the Palais des Nations, Geneva,
on Tuesday, 5 June 1990, at 10 a.m.

President: Mr. POPESCU (Romania)

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Programme implementation

(a) Annual report of the Administrator for 1989

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The meeting was called to order at 10.05 a.m.

PROGRAMME IMPLEMENTATION (agenda item 4)

1. The PRESIDENT, welcomed members to the high-level segment of the session. He greeted the youngest member of the Programme, the delegation of the Republic of Namibia, and extended congratulations to it on Namibia's accession to independence.

2. The current session of the Council was being held at a time of worsening economic and social situations in many developing countries. Every effort must therefore be made to help those countries, and especially the least developed countries, to meet their specific needs. The strengthening of operational activities for development, as set out in General Assembly resolution 44/211, was an important step towards that aim, a concrete response to the appeal contained in the declaration adopted by the General Assembly at its eighteenth special session. Forty years of multilateral technical co-operation, which the Council was to commemorate shortly, had amply demonstrated the valuable contribution to the development aspirations of developing countries. That vast experience must be applied, refined and made more effective in alleviating underdevelopment in the world.

3. It was the Council's solemn duty to act together during the current session, with the aim of adopting decisions which would enable the Programme to develop further its capacity to deal with the economic and social problems confronting developing countries. The decision on the fifth programming cycle would be an expression of the Council's willingness to give further support to the efforts made by recipient countries to overcome their economic difficulties. The recent open-ended informal consultations he had held in New York on preparations for the fifth programming cycle had indicated that a wide gap still existed between the stringent demands of the recipient countries and the resources needed to meet those demands. It had become clear that further negotiations were necessary without delay. The plight of developing nations was desperate. Their struggle for better living conditions must be borne in mind as the Council entered the 1990s. In that connection, he expected that generosity and enlightened support for multilateral co-operation would prevail.

4. With respect to the other important issues before the Council, he reminded members that, as provided for in decision 90/5, he had convened two open-ended consultations of members of the Programme in May 1990 in order to undertake further analysis of the report of the Group of Experts on Agency Support Costs, with a view to submitting recommendations for consideration by the Council. Those consultations had provided an opportunity for a useful exchange of ideas and facilitated suggestions for a new support cost arrangement. He would present his report at a subsequent meeting of the Council.

5. A concerted and joint effort by each member was required at the current time, when the Council was embarking on the fifth decade of multilateral technical co-operation for development. The responsibilities facing the Programme would be not only more demanding and more complex, but would require higher and more sustained levels of resources. He was confident that the Council's work would be guided by political goodwill, mutual responsibility and a strong reaffirmation of multilateralism.

(a) ANNUAL REPORT OF THE ADMINISTRATOR FOR 1989 (DP/1990/17 and Add.1-6)

6. Mr. DRAPER (Administrator, United Nations Development Programme) said that as the Council was meeting, the forces of freedom were being unleashed all over the world. The central message of recent changes in Eastern Europe and elsewhere was that people wished to control their own political and economic future. Stimulating the productive energies of peoples and encouraging their broader participation in economic life must become more central elements in international co-operation for development. Many societies were rediscovering the truth that allowing people to make their own choices was a crucial factor in all economic development.

7. There was more to development than the mere acquisition of material wealth. The choices available to people should include such crucial considerations as the prospect of a healthier and longer life, an education, personal security, and economic and political freedom. Providing for those choices was the challenge of the 1990s. Unless social choice was built into development efforts, an exciting moment in history would be lost. What was the value of hard work without the promise of a long and healthy life in which to enjoy its rewards? What did the world-wide upsurge of political and economic freedom mean if not an opportunity to have a say in developing one's own future? In order to help countries meet that challenge and make informed decisions, UNDP had taken a fresh look at familiar facts pertaining to the quality of people's lives. It was placing those facts at the disposal of policy-makers for any conclusions they might wish to draw, which was perhaps one of the best forms of technical co-operation.

8. He was therefore proud that UNDP had prepared the document Human Development Report, 1990 on the occasion of its fortieth anniversary. He did not expect every view expressed in the report to be shared by everyone, but he did believe that it was an objective and professional analysis of how economic growth translated - or failed to translate - into improving human lives. The report showed that the record of the past three decades was not one of economic decline in the developing world, but of significant human progress. Average life expectancy had increased by 16 years. Adult literacy had risen from 43 per cent to over 60 per cent. Average nutritional levels had improved by 20 per cent. Child mortality had dropped by half. North-South gaps in basic human development levels had narrowed considerably. While the South's average per capita income was still only 6 per cent of the North's, its life expectancy was 80 per cent and its literacy rate 66 per cent of the North's. In the past 30 years, developing countries had in several cases accomplished what the industrial world had taken nearly a century to achieve.

9. However, there was no room for complacency. Immense human deprivation persisted. One billion people lived in absolute poverty; 900 million had no education at all; and 14 million children died every year before the age of five. Properly chosen priorities in the use of national budgets and international assistance could help to overcome those problems. The report demonstrated that the budgets of most developing countries could accommodate additional amounts for human development by squeezing their expenditure on the military, on inefficient State enterprises, on unnecessary government controls and regulations, and on social subsidies which benefited only the rich.

10. The prospects for curtailing military expenditure had brightened in the 1990s, in both developed and developing countries. It was an astounding fact that between 1960 and 1990, the South's share of global military expenditure had grown from 7 per cent to 20 per cent. In many poor countries, military expenditure was currently two to three times expenditure on education and health. At a time when health systems were still deficient, many developing countries had eight times more soldiers than physicians. And, at a time when developing countries had so little hard currency, 75 per cent of the global arms trade, largely a cash business, was directed towards them.

11. The 1990s offered a unique opportunity to reorder budget priorities in the poorest countries as well as in the industrialized world. All possible pressure must be exerted to ensure that countries recognized the value of human development. The external environment must become more favourable if developing countries were to take the tough decisions required to restructure their own development priorities, which they alone could do. The cause of human development was not helped if external flows turned negative. In 1989, poor nations had transferred $32 billion to rich nations. If the developing countries were to accelerate their economic and social advancement, those flows must turn positive in the 1990s. A satisfactory debt solution was at the heart of such positive transfers.

12. It did not help the cause if aid donors allocated less and less to the social sectors. The World Conference on Education for All had emphasized the need for Governments to restore and increase the education share of their budgetary expenditure. Between 1980 and 1990, the share of education and health had declined from 17 per cent of total official development assistance (ODA) to a mere 10 per cent. It did not help if, in giving aid, attention was not paid to protecting the interests of the weak, the vulnerable and the poor. If budget deficits were to be reduced, there should be a minimum threshold for essential expenditure on education, health and nutrition for the majority of the population. All other possibilities should be explored and exhausted before that essential expenditure was touched. One of the lessons of the adjustment crisis of the 1980s was that it was short-sighted to balance budgets by unbalancing the lives of the poor. That lesson should be heeded in the 1990s, for example, through such joint endeavours as the UNDP/World Bank/ African Development Bank Project on the social dimensions of adjustment.

13. Virtually all African countries which had accepted structural adjustment programmes had met their part of the United Nations Programme of Action for African Economic Recovery and Development. Unfortunately, the majority of donor countries had not met their part of the compact, an unequal situation which had been exacerbated by the catastrophic decline in the prices of certain commodities. In the past decade, six countries - Equatorial Guinea, Ghana, Liberia, Nigeria, Sao Tome and Principe, and Zambia - had slipped from the middle-income to the low-income group. If UNDP was able to foster a rediscovery of traditional values, Africa could teach some useful lessons. African societies grew and flourished from the enterprising nature of the individual, at the village, town, province and national levels. Building on individuals and free enterprise would ensure that national capacities were strengthened. A major role of Governments must be to encourage that enterprising spirit. A smaller Government was synonymous with a better Government.

14. Present at the current meeting was the first Prime Minister of independent Namibia. UNDP welcomed Namibia as the 160th Member of the United Nations. Two and a half months previously, he had been privileged to witness the culmination of Namibia's struggle for freedom and independence. The intensity of the struggle throughout the revolutionary stage and during the elections reflected the enterprising spirit to which he had referred. As Namibia moved towards a unified society, all members must devote their energies and resources to ensuring that the development aspirations of the Namibian people were fully satisfied.

15. With regard to the forthcoming Second United Nations Conference on the Least Developed Countries, he stressed the need to build national capacity. Over 80 per cent of UNDP's resources went to the low-income countries and 40 per cent to the least developed countries, the majority of which were in Africa. As stressed by the World Bank in its report on sub-Saharan Africa, it was time to take a serious approach to the question of measuring the effectiveness of technical co-operation in terms of national capacity-building and sustainable development.

16. There was wide-ranging agreement that sustainable-development strategies should meet the needs of the current generation without compromising those of future generations. Sustainable development included the maintenance of satisfactory economic growth rates and improved levels of human development. It also meant the ability to manage one's own affairs with the required operational capacity, something which UNDP could help to improve. With regard to any form of debt, the bills fell due in financial, human or environmental terms. A viable sustainable-development strategy should aim at limiting those debts. He stressed the need to formulate a basic approach to sustainable development in such a way as to unify the concerns of North and South.

17. Over the past year UNDP had been heavily engaged in assisting Governments in dealing with the causes of environmental degradation. Together, they had recognized that poverty was one of the greatest threats to the global environment. Many personal choices which degraded the environment, such as cutting down forests for fuelwood and farmland, were made in the developing countries because of the imperative of immediate survival, not for lack of concern about the future. Ninety per cent of Africa's energy came from fuelwood. Those facts should be remembered on Environment Day.

18. In order to help developing countries strengthen their national capacities to evaluate options and formulate sustainable-development strategies, UNDP had been instrumental in creating a Sustainable Development Network (SDN). Henceforth every development institution in a country would be identified. UNDP would then be ready to provide such institutions with technical assistance in order to increase their capacity to handle the environmental dimension as an integral part of their activities. Those country networks would then be linked through UNDP auspices with international information networks.

19. He was pleased to note that the United Nations Conference on Environment and Development had provided additional impetus and support to SDN. UNDP had been closely involved in the crucial preparations for the Conference because it had been recognized that the environmental issue must be included in the mainstream of the development process, in which women played a crucial role.

To facilitate co-operation at the country level, it had been agreed that the UNDP Resident Representative would serve as the representative of the Secretary-General of the Conference in his or her country of assignment.

20. Another major question claiming UNDP's attention in 1989 had been that of refugees and displaced persons. Throughout the 1980s, an unprecedented number of people had had to leave their homes and homelands. Fifteen million refugees and 14 million internally displaced persons were spread over 33 nations in the developing world and engaged in a daily battle for survival. UNDP had been active in assisting the reintegration of refugees and displaced persons in Afghanistan, Pakistan, Thailand, Central America and many parts of Africa. It was also supporting a programme of assistance to displaced persons, refugees and returnees in Central America. UNDP and the Office of the United Nations High Commissioner for Refugees (UNHCR) were devising a joint programme to ensure that durable solutions were found for refugees and returnees all over the world. In his opinion, such co-operation on that problem was crucial for world development.

21. The efficiency of UNDP's delivery system had received much attention in the Governing Council, the Economic and Social Council and the General Assembly, culminating in the adoption of Assembly resolution 44/211. There was a need for all concerned to work together to strengthen and revitalize the United Nations partnership system for technical co-operation.

22. With regard to the new support cost system which the Council was considering, the current system, which had been in place for over a decade, reimbursed the specialized agencies at a flat rate of 13 per cent on all expenditure incurred on UNDP-financed projects executed by those agencies. A major study had criticized the current system for being "volume-driven" and for having caused what some perceived as an erosion in the technical capacity of the agencies. It had recommended the establishment of a new system.

23. UNDP had been urged in many bodies to expand national execution, but limited success had so far been achieved. Universal standards needed to be adopted for national execution; otherwise, the commitment to such execution would remain rhetorical. He was convinced that a learning-by-doing approach served to achieve greater self-reliance, which was after all the ultimate objective of technical co-operation. It was against that background that he was making new proposals to the Council in order to make the collective delivery system more efficient and responsive. Three principal objectives underlay the proposals.

24. The first was to increase cost-effectiveness. Currently, the basic economic principle of comparative advantage was not applied. The agencies' comparative advantage was to provide technical expertise. In order to maximize that advantage, Governments must exercise their overall responsibility for management and control. Failure to respect comparative advantage in the past had produced distortions in the system that had led to what some perceived as an erosion in quality and, hence, in cost-effectiveness. It was clearly in the interests of all partners to identify arrangements that more fully exploited their comparative advantages.

25. The second objective was to provide technical co-operation in such a way that it directly enhanced national capacity. In response to many exhortations to build national capacity, UNDP had proposed a universal framework for all UNDP projects - namely, national execution - from the commencement of the fifth cycle. Appropriate management support for accountability must, of course, be provided. UNDP had distinguished national responsibility for execution from the process of implementation. Governments must be free to determine the elements of implementation arrangements, on the basis of the quality of services offered. The time had come to move away from administering projects out of Western capitals. Anything that could be administered locally should be so administered. No other approach was compatible with sustainable development.

26. The third objective was to strengthen the partnership between the agencies and UNDP. That partnership would fail if it was not competitive and responsive to the needs of developing countries. Reorienting the agencies to their technical roles provided the strongest possible assurance of revitalization of the system as a whole. He hoped that members would agree that it was time, on the occasion of UNDP's fortieth anniversary, to adopt measures which would improve the system.

27. Referring to the increasing demand for UNDP funds from the Programme's traditional recipients, he noted that new demands were arising continually. For example, the requirements of Eastern Europe deserved the Programme's attention, but they must not be fulfilled at the expense of poorer countries. If UNDP was to deliver programmes of exactly the same size in the fifth cycle as in the fourth cycle, it would need an increase of at least 10 per cent in its resource base. During the current year, the international community had demonstrated its generosity by its ninth replenishment of IDA resources, at a level that would permit an increase of 10 per cent per annum in capital assistance to poor countries. Unless technical assistance like that of UNDP kept pace with capital assistance like that of IDA, there would once again be a serious imbalance in the 1990s and investment in physical infrastructure would exceed the much-needed investment in human infrastructure. That must not be allowed to happen. He therefore looked forward to a decision by the Council providing sufficient resources for UNDP to do its job in the fifth cycle.

28. The decisions the Council took at the current session would be crucial for the future of UNDP. It must ensure that the Programme was prepared to meet the great challenges that would face it in the future. It must not be afraid to make the bold changes required in order to equip UNDP for the next decade, a decade of opportunity in which all people would be able to manage their own political and economic destiny.

29. Mr. HOCHLEITNER (Austria) said that in the past 40 years the world had witnessed historical and social developments that could not have been imagined at the turn of the century. The important contribution of the United Nations system to those changes was due, to a large extent, to the so-called "operational activities". The approach to technical co-operation itself had evolved, as the complexity of development issues had become more fully understood. There had always been a constant need to re-evaluate the approach, priorities and tools of technical co-operation. At the same time,

tried and proven methods had been retained. While it was aware that the system was not perfect, his Government was on the whole confident that it did operate with reasonable efficiency and that the results justified the international community's investment.

30. It must always be remembered that the ultimate objective of development co-operation was to provide adequate living conditions and a better life for human beings, particularly the poor and disadvantaged. His delegation therefore welcomed the Human Development Report, 1990, which represented a departure from the exclusively econometric point of view and reflected a more comprehensive understanding of the meaning of development. It looked forward to future editions, in which additional indicators could be introduced.

31. UNDP was conceived as the central funding body for all specialized agencies and organizations, a fundamental role to which his Government attached great importance. It believed that the division of labour between the various parts of the system was one of its strengths, allowing each agency to build and improve upon its own expertise, in close co-operation - rather than competition - with its sister agencies.

32. His Government welcomed and supported the growing emphasis on environmental preservation in the context of sustainable development. It saw no contradiction between economic and environmental objectives. The current state of the world's environment was fragile; that was an important factor which must be taken into account in any development planning. The United Nations system owed it to its constituency - practically all mankind - to adopt an extremely responsible and exemplary attitude on that issue. In all programmes and projects, the environmental side-effects must be routinely checked as a pre-condition for implementation. Environment-related projects, such as the cleaning-up of factories polluting rivers and lakes, must have first priority. His country supported all endeavours aimed at fostering international co-operation on the environment and looked forward to the Conference on Environment and Development in the hope that it would contribute to world-wide awareness of environmental issues.

33. One of the priorities in recent years had been the development of human resources, which meant strengthening the skills and capabilities of people in charge of dealing with the complexities of development. It also meant ensuring that existing human capacities were adequately used. Since the "human factor" was probably the most important single cause of the frequent failure of development efforts, his Government supported the emphasis on capacity-building and training. Continuous training should also be given priority within the United Nations itself. At the same time, it was not possible to expect miracles through that approach. Sometimes the best qualified candidate for a particular job might not be willing to do it because of financial and other conditions.

34. The Administrator's proposals relating to "national execution" seemed to reflect his belief that the developing countries as a whole had to reach the stage where they needed merely money and perhaps some minor managerial advice in order to implement any project. While a number of countries might have reached that level and many might have reached it in certain specific sectors, it appeared unduly optimistic to assume that such was the case all round. In

that context, his delegation would like to see the results of further studies on the assessment of national execution as it had existed over the past few years; those results could serve as a basis for further in-depth deliberations on the subject.

35. The question where national execution as conceived by the Administrator would leave the specialized agencies did not appear to concern UNDP. His delegation took the view that UNDP was one part of the United Nations system involved in development co-operation, while the specialized agencies made up the other. If UNDP failed to interact with the executing agencies, it would be at variance with the principle of partnership, which had to date been an intrinsic element of the relationship between the various institutions of the United Nations system.

36. The main question was how best to serve the development objectives of recipient countries. At present, the specialized agencies and UNDP offered them a wide range of services which had the benefit of expertise accumulated over many years. When a particular service was not available, subcontracting was always possible. Whether national administrations, already overburdened in many cases, would wish to shoulder the extra work, even if they received compensation in the form of support cost, remained to be seen. Nevertheless, his Government favoured the gradual expansion of the role of national execution, where the necessary conditions were met.

37. The question of successor arrangements for agency support costs had been examined in the excellent report of the Expert Group on that subject at the end of 1989 (DP/1990/9). In the subsequent consultations, however, the suggested options had been abandoned because they had not satisfied any of the parties concerned. It had also become clear during discussions that there was a need for a full picture of the financial implications of the new arrangement for agency support costs before a decision could be taken. His country was actively involved in the search for a viable solution, which must be approved by all the parties concerned, in particular UNDP and the specialized agencies.

38. With the approach of the fifth programme cycle, decisions must be taken on the system of allocation of IPFs, the continuation or elimination of the floor principle, and the distribution of available funds for regional, interregional and global programmes. The fourth cycle would not need to undergo major modifications. Allocations to the land-locked developing countries (LLDC) must be increased and global and interregional programmes enhanced, particularly in view of concern for protection of the environment.

39. Austria supported expanding co-operation between UNDP and UNHCR. The refugee problem was often a development issue too, in particular for those developing countries which, in addition to their own difficulties, were obliged to shelter large numbers of refugees. Large-scale repatriations to countries of origin likewise posed development challenges. That being the case, his delegation favoured an increased role for UNDP and the executing agencies in seeking lasting solutions to refugee problems.

40. Members had again received far too many documents to read and digest. Many of the documents could easily be merged with the Administrator's report, which would release secretariat capacity for other urgent tasks. His delegation appreciated the effort of the secretariat to send advance copies of

many documents to facilitate delegations' preparatory work. Unfortunately, many documents had not become available until the last few days before the beginning of the current session, which had made it difficult to give them the attention they deserved.

41. His Government supported the suggestion to establish a "Programme Committee" to replace the Committee of the Whole. It also wondered whether it might not be possible to find a less confrontational format for consultations that reflected the improved international political atmosphere.

42. Austria had always been a strong supporter of multilateral development co-operation and would continue its commitment to UNDP and the United Nations system as a whole. It would continue to participate in the Council's work in an active and constructive manner.

43. Mr. SHANNON (Canada) said that the Human Development Report, 1990 illustrated the central nature of population issues, and his delegation welcomed its sharp focus on the human element. The report stressed the need for more sophisticated measures of human well-being than the economic aggregates commonly employed. His delegation particularly welcomed the discussion of the choices open to Governments and the benefits of sustained and disciplined application of policies designed to promote human development. But important methodological questions still needed to be addressed.

44. As East-West tensions subsided and substance replaced posturing in the dialogue between developed and developing countries, the United Nations technical co-operation programmes had become more relevant than ever. UNDP should avail itself of the unique opportunity afforded by the convergence of political issues, in particular with regard to the fifth cycle, agency support costs and questions relating to the funding strategy, for imparting momentum to the reform process. When deciding on UNDP's future role, it was essential to recognize the interrelationship of distinct issues.

45. His delegation stressed the need for discipline so as to make the most of UNDP resources by spending money in areas where there was an advantage in multilateral financing, such as neutrality, or where there was a particular capacity that the United Nations system could offer. UNDP assistance must foster national capacities. Support for capacity for development management, including economic policy analysis and sustainable development, were particularly germane, because investments in those areas improved the quality and sustainability of wider development efforts financed from a variety of quarters.

46. Canada was concerned lest the effectiveness of technical co-operation should be undermined through dispersion in thousands of separate projects. A more programme-oriented approach was required, and Governments had a responsibility to help situate United Nations technical co-operation in the context of national programmes.

47. International co-operation included the transfer of capacity from the external environment to the national situation and thus excluded a central UNDP financing role for local goods and services. Nevertheless, indigenous capacities must be tapped more aggressively and external co-operation integrated into national activity so that it could be self-sustaining. It was in the context of development effectiveness that national execution was of

interest. If national execution promoted sustainability through greater national ownership of projects and programmes, it was worth exploring. Furthermore, more of the system's capacity must be decentralized to the country level in order to permit more substantive, co-ordinated and responsive support for national authorities.

48. The fourth-cycle decision had embodied a number of principles which should be developed further in the fifth cycle, in particular priority for the poorest and the idea of graduation for relatively better-off countries, while retaining universality of participation. In its development assistance, Canada targeted the poorest. His delegation therefore considered that, in the fifth cycle, the flow of resources to the poorest countries must be maintained. There was, however, no direct relationship between per capita income and the need for technical assistance.

49. His Government valued UNDP's universal scope. It was important that no developing region should feel left out of the Programme. UNDP was an integral element of the United Nations system for technical co-operation. Governments must assume responsibility for the management of their development programmes. The technical capacities of the United Nations system must be brought to bear to support the UNDP-financed programme. His Government attached the highest premium to quality and did not object to drawing upon expertise from any appropriate source.

50. At its thirty-seventh session, the Council would take decisions that would shape the course of UNDP for many years to come. His delegation was committed to contributing constructively to the discharge of the Council's task.

51. Mr. LEVITTE (France) said it was disappointing that the discussions held at the Council's thirty-sixth session on the role of UNDP in the 1990s had not given rise to the adoption of major guidelines and clear resolutions. It was to be hoped that that issue would be successfully addressed at the current session.

52. The fifth cycle was approaching, and UNDP must redefine its role in the development sector within the United Nations system. While safeguarding the principles of universality, which gave it its strength, UNDP must set priorities, accentuate the specific nature of its work and enhance its effectiveness. Clearly, not all developing countries had the same or equally urgent requirements. Recognizing those disparities, the United Nations system gave UNDP latitude in its response to the most dramatic needs. The least developed countries were obviously those requiring the greatest solidarity. While controversy might exist on which countries were poorer than others, the forum for such a discussion was not UNDP, but other United Nations bodies charged with considering that question.

53. France was deeply concerned about the problems of the least developed countries. UNDP must recognize that category of countries and integrate it in its work as a matter of priority, but not in an exclusive fashion. Special treatment must also be given to countries receiving refugees in their territory. Migration placed a heavy burden on the economies of those countries, and that must be borne in mind when determining future IPFs. Countries with large numbers of refugees must benefit from additional assistance in the form of a higher IPF.

54. If UNDP was to do its work, the international community must continue to increase its resources. In that context, it was important to avoid certain past mistakes of evaluation, in particular those made at the beginning of the third cycle. His delegation was in favour of a 6 per cent increase in the growth rate of contributions during the fifth cycle. Donors must be convinced that their contributions were used in accordance with the priorities set. Unfortunately, they often had the impression that their concerns were not given due account, and they had growing difficulty justifying the amounts contributed in the face of domestic criticism, whether well-founded or not, that UNDP was less efficient than other development assistance institutions. In those circumstances, UNDP must seek to meet the essential needs of the whole population of the countries concerned, even if it must establish priorities. In that connection, it would be useful to include in the wording of the projects themselves the definition of human resources proposed in the excellent Human Development Report, 1990, a document which, regrettably, was not yet available in French.

55. It was for Governments to ensure that all social groups, and especially the most disadvantaged, benefited from development. UNDP could not replace Governments or impose conditions, but must help beneficiary countries to define a coherent development policy, promote better management, see to it that all donors were well informed and improve the definition of technical assistance needs. It was on the basis of those elements that UNDP must determine its major guidelines for the fifth cycle.

56. France welcomed the realism of those developing countries that had regarded as unreasonable the proposal by the Administrator to initiate a total transfer of project implementation to Governments as from 1 January 1992. Progress must be made, but there was no need for undue haste. Before contemplating a transfer of project implementation, the capacity of the developing countries to define their overall development policy must be enhanced. Governments must attempt to identify as carefully as possible qualitative and quantitative requirements and real capacities, at both the national and, above all, the local level. Such a task, although difficult, was essential in the medium and long-term perspectives. UNDP could contribute by supporting the expertise of the executing agencies. When the time came, UNDP itself must rigorously apply the principle of the transfer of project implementation to Governments, and in that context, his delegation fully supported the call by the President of the Governing Council for the Office for Projects Services (OPS) to apply that approach. The part played by OPS in project implementation must not grow.

57. His delegation supported replacing the project approach by a programme approach. In that way beneficiary Governments would reaffirm their freedom of political decision. That approach was still very vague, and it would not solve all problems. General guidelines must be defined, and implementation, which must be pragmatic and experimental, would require time and perseverance. In that regard, the agencies could help Governments to learn to define their own programmes, decide on appropriate projects and implement the projects themselves with the help of competent outside technicians. With their irreplaceable on-site experience, NGOs must also take part in that work, as well as local organizations in the industrialized countries, whose knowledge of community-level problems was invaluable.

58. The Council could count upon France to contribute towards a consensus on UNDP's main objectives for the next five years.

59. Mr. NABLI (Tunisia) expressed gratitude to UNDP for the activities it undertook in quest of its noble goals. As a developing country, Tunisia was aware of the need to mobilize international efforts to promote development and thereby alleviate international economic disparities. The success of such efforts would be a major factor for peace in future decades.

60. Tunisia had worked with UNDP since its creation on many projects, both at the local level and in co-operation with other countries. Through its work, the Programme had helped strengthen relations among the countries of the Maghreb. It was to be hoped that UNDP would continue to support the endeavours of those countries to define a framework and plan of action for achieving their development objectives. UNDP was also co-operating on two projects with the Arab Group and two projects with the African Group. In view of the debt crisis in the third world and its adverse impact on development, it was essential to intensify UNDP assistance for international co-operation.

61. His delegation was pleased that in the Human Development Report, 1990, Tunisia had been cited as one of 15 countries having made progress in development within a democratic framework. Tunisia's efforts were based on its own domestic capacity, but that did not mean that it could forgo international financial and technical assistance. On the contrary, it needed such assistance to overcome the obstacles posed by the debt problem. In that context, his Government was in favour of expanding co-financing projects with UNDP. For its part, Tunisia would make its experts and volunteers available, within its means, to other Arab and African countries to assist them in their development efforts. In that connection, it was important to rely on local capacities and institutions, and projects should be under national control.

62. UNDP could enhance its importance in a number of ways: by developing human resources, in particular through educational programmes; by stepping up efforts to protect the environment in the developing countries; by promoting the private sector through national and international investments; and by helping those countries hardest hit by the debt crisis to obtain debt relief.

63. Mr. ROSKENS (United States of America) said that the fortieth anniversary of United Nations technical assistance and the beginning of a new decade were an appropriate time to take stock of UNDP's role in a world whose political system and economic structures were being transformed, and in which State intervention was lessening. The key to meeting the challenge of reshaping that role would be the wise use of available resources.

64. Decisions on UNDP resource allocations for the fifth programming cycle must be based on realistic projections of future resource levels and must ensure that those resources provided the best response to countries' diverse needs. Given the various current budgetary constraints, it was unlikely that the United States would be able to commit itself to substantial increases in resources to UNDP during the fifth cycle. Yet, through judicious decisions by the Council, UNDP's resources could go a long way towards assisting all members of the Programme. His delegation remained committed to the principle of universality. However, countries' needs varied with their levels of development. The United States continued to favour making the bulk of

UNDP's grant resources available to the countries most in need of those resources. It also adhered firmly to the principle of graduation. More advanced developing countries could obtain expertise through UNDP on a reimbursable basis. It was also interested in exploring ways of making increased use of global and Special Programme resources in addressing issues of primary concern to those countries.

65. His delegation endorsed the important role of UNDP in addressing cross-sectoral problems requiring co-ordinated and integrated approaches at all levels. UNDP's global and interregional programmes and the activities financed from Special Programme resources were invaluable in that area, and deserved even greater emphasis in the fifth cycle, although they required more systematic programming and more careful reviewing.

66. UNDP had an important role to play in helping countries develop an institutional capacity to manage economic and administrative reform. Its Management Development Programme, for example, was helping Governments improve management in the public sector, and was supporting policies of structural adjustment and reorientation towards greater reliance on market forces. Its contribution to private sector initiatives and the promotion of entrepreneurship as catalysts for growth were to be applauded, since experience had shown that market mechanisms extended the greatest benefits to the largest number more quickly than any other mechanism.

67. He commended UNDP for addressing environmental concerns, formulated in the context of expanded collaboration and operational co-ordination among the various agencies and aimed at enabling Governments to integrate environmental concerns into their development planning and assessing the environmental impact of alternative development strategies.

68. His delegation encouraged UNDP to collaborate fully with its partners in the United Nations system in waging the fight against narcotic drug production and abuse. UNDP was also to be commended for its sponsorship of the World Conference on Education for All and for its emphasis on human resources development. UNDP could play a most constructive role in that field by co-ordinating the resources of the United Nations system in support of national plans of action within the "Education for All" framework, within the new approaches to vocational training being developed by the World Bank and ILO, and within national assessments of human resources capacities and technical assistance requirements. UNDP had pioneered the concept of the National Technical Co-operation Assessment and Programme (NaTCAP) to programme technical assistance. The United States encouraged that type of planning as a foundation for UNDP's technical assistance.

69. On the question of revitalizing the United Nations development system and building national capacity, his delegation supported UNDP's role in introducing a multidisciplinary and multisectoral approach to human development and broad-based, sustainable economic growth. An essential element in that approach was the focus on strengthening developing countries' capacity to plan and manage development policies and programmes themselves. To achieve that, however, technical co-operation must be restructured. That process had already begun, in response to the recent "Triennial policy review of operational activities for development". A key step was the move away from the traditional project-by-project approach towards a more programme-oriented approach. Another important feature of the process was the decentralization

of development support functions from headquarters of United Nations agencies and UNDP to the country level, with emphasis on national execution. Those changes would require new management procedures in order to monitor project implementation more effectively, ensure impact and maintain accountability for the use of UNDP funds. They would also require close co-ordination between all the relevant United Nations agencies contributing in their own areas of expertise. In recent years, the tripartite system of co-operation between the Government, UNDP and the agencies had fallen short of its potential. His delegation believed that the system must be revitalized, with the full involvement of the agencies' technical capacities in every phase of the programme cycle, whether or not they were executing agencies.

70. The important question of the successor arrangements for agency support costs had been the subject of careful study in the Council, among the agencies and among Governments. The Council must now fulfil its responsibility and reach a decision on the new arrangements, which had the potential to restructure the way the United Nations development system functioned in the field, increasing developing countries' capacity to manage their own development and at the same time strengthening the agencies as centres of technical excellence. His Government favoured a system of joint financing of technical staff engaged in regular programme activities and analytical and technical support for UNDP-funded activities.

71. UNDP saw human development as a process of enlarging people's ability to participate fully in individual and collective choices. Politically, that implied a pluralistic democratic system, respect for human rights, and full participation of all citizens, both men and women. Economically, it implied a free-market society and the tools necessary to take advantage of that system, including credit, training and access to information. Socially, it implied the opportunity to be educated, the ability to plan the number and spacing of one's children, access to health care information and services that were affordable. Physically, it implied command over resources that would ensure adequate food and shelter. It was the responsibility of each developing-country Government to create the policies and institutional environment within which its human potential could flourish. Those policies and that environment could not be donated, although they could and would be supported with multilateral and bilateral assistance. The United States had been moving to encourage opportunities for the expansion of human choices. The daunting complexity of the interrelationships between the social, political, economic and physical aspects of development had often led Governments and donors alike to concentrate on one facet at the expense of others, or to a polarization between competing goals and solutions. What had been missing was the focus on human choice which, in an open society, became a formidable force for positive change. UNDP's "human development index" had begun to provide a scheme for measuring the many human dimensions of socio-economic progress. However, the measure was imperfect and did not yet adequately reflect degrees of political and economic openness, which were critical to economic progress. The United States hoped that UNDP would give further attention to devising means of measuring human freedom, and welcomed the opportunity that would arise to discuss that work later in the session and to consider in detail how it should continue, having regard for the resources it would require.

72. Since 1985, UNDP had taken important steps to improve the quality of its programmes and projects, whose results had been evident in the fourth-cycle programmes. The mid-term review process had also demonstrated its value as a management tool. Continued attention to improving programme quality, sharper focus of country programmes and more systematic planning of the use of global resources were essential in order to maintain confidence in UNDP, as well as funding levels in the context of competing needs and priorities. UNDP's management structure should reflect the focus and complexity of its Programme. His delegation looked forward to a more detailed discussion of the Administrator's proposals in the context of his revised 1990-1991 budget estimates.

73. United Nations volunteers represented the United Nations in the eyes of thousands of people around the world, in schools, laboratories and refugee camps. The United Nations Volunteers programme was approaching its twentieth anniversary, and was a major source of technical expertise for many developing countries. His Government applauded the efforts of the Executive Co-ordinator and her staff to respond to the recommendations of the 1988 evaluation, by improving the management of the programme and its responsiveness to the needs of recipient Governments and the volunteers themselves. It had been pleased to co-operate in new efforts to improve the orientation of volunteers to the culture of the countries in which they served.

74. The fortieth anniversary of United Nations technical assistance also provided an opportunity to reflect on the responsibilities of the Governing Council. Improvements were undoubtedly needed; they were important to UNDP's credibility. The Council should improve the process whereby it reviewed, approved and monitored programmes. The United States valued the insight into UNDP's operations provided by the Working Group of the Committee of the Whole, particularly as UNDP moved towards a programme approach. It also looked forward to working with other members of the Council in reaching a decision on improvements in the governance of UNDP, through which member States would gain a better understanding of the work of the Programme and the Council would be enabled to provide more effective policy direction for UNDP's operations. UNDP had the capacity to make a continuing and powerful contribution to the world-wide process of development. The United States wished to co-operate in helping it continue to build a world marked by fewer and lighter burdens, and by greater opportunities in the coming decade and beyond.

75. Mr. REPNIK (Federal Republic of Germany) said that, although in 1990 the United Nations was celebrating 40 years of technical co-operation, the problems of the developing countries were greater than ever, with some 700 million people starving, more than 1 billion living in absolute poverty, and still no guarantee of food, basic education and health services in many parts of the world. Against that background, the alarming demographic, ecological, economic and social problems facing the developing countries were all the more ominous. The vicious circle of poverty, population growth and destruction of the environment had long ceased to be a threat to the third world alone; unless that circle was broken, there would be no escape for the affluent North either.

76. It was not enough to alleviate the worst and most pressing problems by mounting humanitarian operations; the root causes of poverty and under-development must be addressed. Given the increasing interdependence of the world economy and the challenges in the field of environment and resource

protection, the idea of separate development for the industrial and the developing countries must be abandoned once and for all. A responsible policy for the future should treat the world as an indivisible whole. Currently, the political scene was dominated by the ending of the East/West dichotomy and the breakdown of divisions within Europe. While the historical importance of those events should not be belittled, it was infinitely more important to break down the division of the world into a rich North and a poor South. The resources released in the wake of détente between East and West must be tapped with the aim of overcoming dangerous regional and political imbalances. As Federal Chancellor Kohl had remarked at the recent interparliamentary disarmament conference in Bonn, disarmament efforts were linked, not least, to solidarity with the less developed peoples of the earth, who must receive more aid. That meant drawing to a greater degree on resources previously used for arms. However, it was to be hoped that the arms race which had been halted in Europe would not be carried on or stepped up in other regions of the world.

77. The recent changes in Eastern Europe made particularly clear the connection between economic and political reforms. It was becoming impossible to overlook the fact that democratic social systems, open to genuine participation and socially and ecologically responsible, were a sine qua non for the efficient functioning of economic systems. Development experiments that took no account of that link were irresponsible and had no future. The present forum provided a particularly suitable occasion for taking stock. In view of the growing problems, it would be inappropriate to relapse into complacency. It must be asked why efforts to halt adverse trends and design social systems with a concrete democratic, human rights and social content had met with so little success. It was now realized how great a hindrance to comprehensive social development those political shortcomings were. Disregard of human rights, inadequate provision for democratic processes, equivocal administration of the law and shortcomings in enforcing policies had impaired a dormant development potential, especially where human resources were concerned. It was to be hoped that, with the advent of détente, the political taboo on discussing in international forums subjects such as human rights, corruption, arms, expenditure and abuse could now be ended.

78. The opportunity to make a start on new approaches to development co-operation also applied to UNDP and its activities, which must henceforth be concentrated on areas that were in line with its comparative advantage as a multilateral development aid organization. The ultimate aim must be complementarity, not competition, between the various donors. Inter alia, UNDP had the special role of supporting recipient Governments in formulating their policies, and enforcing national and international programmes in the light of the challenges of the 1990s. The fifth cycle must be geared much more closely to focal issues and to UNDP's particular efficiency. The core resources required for that purpose must be used as a multilateral central financing and co-ordinating instrument. The system of country-related programming must be tailored to the requirements of the socially-acceptable abolition of centrally-managed, planned economies and to the establishment of private-sector or market-oriented systems. The discussion on a realistic volume for the fifth cycle must not overshadow those challenges.

79. In his view, UNDP's universal character was not called in question by a stronger concentration of IPFs on the neediest countries. On the contrary, such concentration formed part and parcel of a universal solidarity.

80. The Governing Council was also responsible for the United Nations Population Fund (UNFPA). He again wished to stress the extraordinary importance his Government attached to the work of UNFPA. Greater orientation towards fighting poverty and towards family planning in the future would require more intensive co-operation in terms of programming, reporting and evaluation, so as to render joint efforts more transparent. While welcoming the quality and dedication characterizing the work of the Department for Technical Co-operation for Development (DTCD), his Government wished to recommend that an attempt be made to develop a common structure for UNDP, DTCD and Office for Projects Services (OPS). The human resources and institutions now to be found in the developing countries must be developed to the full. Those countries needed to shoulder greater responsibility for their projects and share more fully in operational execution. The Council must therefore carefully study the question of greater national execution of projects, taking account of developing countries' responsibility for development programmes and projects. In the interests of all, efficient quality control must be guaranteed for the implementation of multilateral programmes and projects. The Council must now take the necessary steps to follow up effectively the valid conclusions contained in the Human Development Report, 1990.

81. Mr. PRONK (Netherlands) said that the two main issues facing the session were the fifth cycle and the question of agency support costs. With regard to the former, the universality and neutrality of UNDP were perceived as constituting its strength. However, its financial means were limited, and the scattering of resources did not make for improved efficiency. Universality should be maintained, not merely by paying lip-service to the concept, but also by calling upon UNDP to increase its efficiency in all countries where a country programme was being implemented. In practice, the current IPF system had often led to programmes lacking in coherence and country-specific focus. That was not to say that UNDP should become another specialized agency, or that it should compete with the existing agencies, but choices must be made and strict priorities set if the impact of the country programme was to be improved. Sectoral priorities would inevitably vary from country to country. Next, UNDP must ensure that adequate attention was given to cross-sectoral themes, such as women and development, the environment, and poverty alleviation. While recipient-country sovereignty in the allocation of country IPFs was enshrined in many Council decisions, the time had none the less come to look at the rigidity of current positions on the use of IPFs and to apply some flexibility.

82. The distribution of IPFs among recipient countries was inevitably a controversial subject. With needs overwhelmingly outweighing available resources, it was natural that each country should try to obtain a larger share. It was necessary to take a fresh look at the situation. First, new ways should be found of allocating the scarce resources available to those countries where the need was greatest, and in particular the least developed among them, while ensuring a greater impact than had been achieved in the past. Secondly, proposals had been submitted to the Council whereby some countries would receive a basic IPF as seed money for programme generation. There was merit in such an approach, linked as it was to much larger and thematically-focused Special Programme resources. Thirdly, a more direct link could be established between the development criteria for distribution of IPFs and the actual use made of the IPF monies distributed. As the system was

currently applied, there was too great a discrepancy between the amount of IPF income and the objectives of IPF expenditure. Perhaps the time had come to bring the two closer together. One way of achieving that might be to use concepts contained in UNDP's Human Development Report, 1990.

83. The task of distributing IPFs would, of course, be easier if the available resources were growing more rapidly. Unfortunately, the prospects for rapid growth were not good, with many donor countries proposing nominal increases of no more than 4 to 6 per cent a year. The developing countries' needs were far greater than the financial resources at UNDP's disposal, and he himself favoured a substantial real increase in those resources. However, adopting an ambitious growth scenario did not in itself increase resources. None the less, the secretariat needed a scenario, endorsed by the Council, to plan its programme cycle. It would be disappointing if the Council were to be unduly distracted by that aspect of the fifth cycle discussions, to the detriment of the issues of effective distribution and resource allocation.

84. In the search for solutions to the problems set out in the report of the Expert Group on the Study of Successor Arrangements for Support Costs and Related Issues (DP/1990/9), the first criterion for a new system for financing multilateral technical co-operation, including a support cost system, must be the effectiveness and efficiency of assistance in the countries concerned, not stability of the support funding of the specialized agencies. The role of national execution was therefore of great importance as it increased self-reliance and strengthened recipient-government management of aid flows. The benefits of national execution resulted from the fact that the management requirements, including financial and substantive monitoring and reporting, were the same as in other forms of execution. National execution therefore placed a significant burden on the recipient country. Provided that there was full transparency and accountability, national execution would enhance competition, efficiency and flexibility and would be accomplished in accordance with current demands of self-reliance. In that connection, his delegation intended to suggest some changes in the Administrator's proposals.

85. Ms. POULSEN (Denmark) paid tribute to the Administrator for the important initiative he had taken in commissioning the Human Development Report, 1990, which had confirmed her delegation's belief that benefits did not automatically trickle down and that the development of human resources lay at the heart of the development process, both as a goal and as a means. The report fully supported the emphasis on capacity building contained in the decision on the role of UNDP in the 1990s.

86. In the view of her Government, three major elements should be stressed in the efforts of UNDP in the 1990s. The first was comparative advantage; in other words, UNDP, in conformity with the priorities of recipient countries, should direct its efforts in such a way as to maximize its advantages over other development co-operation programmes. The second major element was that UNDP should devote increased attention to national capacity building for self-reliance. The third was that there should be a sharper focus of activities supported by UNDP in order to ensure the best possible impact. As her delegation had stressed in its general statement in 1989, the challenge was to streamline and concentrate activities. Hence capacity building must be at the core of efforts during the fifth cycle and must take full account of the diversity of recipient countries. The goal should be to achieve a gradual transition to national execution, which was the best way to ensure internalization.

87. The current system, based on the 1970 Consensus, had not been effective enough in delivering technical assistance in the past and was clearly unsuited to the future. The delivery system must be geared to the expectations of hundreds of millions of deprived people in the developing countries and it was the responsibility of all parties concerned to carry out the neceessary reforms of the United Nations system for technical assistance.

88. The decisions to be taken at the current session on the fifth programme cycle and on support costs would have a major impact on the content and direction of UNDP activities in the 1990s. With regard to the fifth cycle, the fact that needs and circumstances varied, sometimes considerably, among recipient countries must be explicitly recognized. The need for support for capacity building in a middle-income country with a relatively high educational standard was very different in character and scope from that of a least developed country. Central funds should to a greater extent be made available for purposes relating to internationally recognized development needs, such as the environment, women in development, poverty alleviation and the development needs of refugees.

89. The needs of the 1990s should be reflected not only in the content of the Programme, but also in the distribution of funds. Many recipient countries, mostly the poorest, were facing intractable economic and social problems. Those countries were most in need of the kind of assistance that UNDP and the United Nations system provided. The distribution of funds for the fifth cycle should therefore, to an even greater extent than during the fourth, be allocated to the poorest and especially the least developed countries. All developing countries clearly had needs far beyond what the United Nations system could reasonably meet; funds were limited and would have to be allocated according to relative needs. Her delegation also considered that, whenever it was to the advantage of recipients, the use of TCDC and, in particular, the United Nations Volunteers should be encouraged. The fifth cycle should also be based on realistic resource projections.

90. With the mandates of the Committee of the Whole and the Working Group expiring at the current session, it was essential that satisfactory arrangements should be found to ensure that member countries would continue to influence and have knowledge of the contents of UNDP activities.

91. The renegotiation of the support costs arrangement provided a unique opportunity for improving the effectiveness and efficiency of assistance provided by the United Nations system. The objective must be to develop a fair and administratively efficient arrangement which would provide incentives for: the more efficient use of resources; greater coherence within the system; concentration by UNDP and the agencies on areas where they had a comparative advantage; and the avoidance of unhealthy competition among the various parts of the system. Lastly, the arrangement must reflect UNDP's role within the system based on its comparative advantages, such as capacity building and co-ordination. In the view of her delegation, that role did not include execution on a large scale.

92. Her Government supported the developing consensus among member countries on the desirability of differentiating the support cost rates related to non-project and project-related activities. One attractive idea was that the Governing Council, according to its sectoral priorities, should allocate part of the funds for support costs among agencies; it should establish guidelines

for the use of those funds which should primarily be for headquarters activities closely related to tasks in the field. Implementation of the guidelines should be negotiated between the Administrator and the agencies. It would not, however, be acceptable to her delegation if those funds were used for tasks which had hitherto been financed out of the agencies' regular budgets. Her delegation viewed favourably the proposal to divide projects into stages, with different rates for the different stages. Such a model had the advantage of facilitating the transition to national execution, so that execution of the later stages would become the responsibility of the recipient Government.

93. The assistance programmes of the United Nations system as a whole must become more dynamic and better targeted if they were to compete effectively with other multilateral or bilateral aid programmes for ODA funds. Her Government believed that the United Nations system, with UNDP at its centre, could make a very significant contribution to meeting the development needs of the 1990s, provided that all parties concerned displayed the necessary will.

94. Mr. WHEELER (Organisation for Economic Co-operation and Development (OECD)), commenting on the role of UNDP in the 1990s, said that in December 1989 the Development Assistance Committee (DAC) of OECD, of which he was Chairman, had adopted a policy statement on development co-operation in the 1990s, which had concluded that the vicious circle of underdevelopment could be broken only through economic development strategies and policies which integrated the objectives and requirements of promoting sustainable economic growth, permitting broader participation of all people in the productive processes and a more equitable sharing of their benefits, ensuring environmental sustainability and slowing population growth in the many countries where it was too high to permit sustainable development.

95. Perhaps as much as $15 billion of the $50 billion in world aid was devoted to technical assistance, but neither recipients nor donors were satisfied that full value was being obtained for money. DAC was currently engaged in framing "Principles for technical co-operation", which, it was hoped, would be agreed to by both recipients and donors so that joint work could then proceed at the country level for needed improvements in the way technical co-operation programmes were planned and implemented. It was already known that the very large number of technical assistance projects could be better co-ordinated and made more effective only if developing countries themselves seized command of the process. Better aid management, significant improvement in the way institutions operated and more effective sector strategies were essential; the donors stood ready to help in strengthening those processes.

96. One vexing issue was that, in several recipient countries, civil servants had been receiving income supplements from donors to enable them to work full time on project implementation. In his view, that practice represented a conflict of interest and distorted wage systems. Nevertheless, it was also a pragmatic response to an overall structural problem in so far as, in many countries, the core civil service was underpaid. There was an urgent need for civil service reform, including significant reductions in numbers and substantial increases in pay. In sectors such as education and health, new approaches to funding teachers and workers would have to be considered. It had also been found that foreign experts too frequently were doing jobs which

ought to be done by citizens of the recipient country. Foreign experts were not intended to be a form of budget support but, rather, should be utilized in an institution-building process. The DAC's "Principles for technical co-operation" would focus on those issues, among others.

97. DAC had met in 1990 in order to consider how to implement the conclusion, reached at its High-Level Meeting, that there was an imperative need to slow population growth in the many countries where it was too high to promote sustainable development. In that connection he had had an opportunity to visit the Minister of Health and Family Planning of Bangladesh and to see the vigorous efforts being made in that country. Even if successful in its family planning efforts, Bangladesh might eventually have six times the population density of the most densely populated industrial country, the Netherlands. It already had twice the density. Bangladesh was aware that the provision of an environment where the people could work, have adequate food, be healthy and be educated depended upon a successful family planning effort. Population growth in Bangladesh had come down from 2.8 per cent in the early 1970s to a current rate of about 2.2 per cent.

98. DAC recognized that the growing demand for voluntary family planning services would require substantially increased funding and urged UNFPA to work closely with the donor community in a co-ordinated effort to respond to developing-country requests for help. He hoped that the Council would give further impetus to such an approach.

99. In its High-Level Meeting statement, DAC had declared its readiness to help developing countries strengthen their capacity to co-ordinate and manage aid and to take increasing responsibility for aid implementation. In that connection, he had noted the priority which UNDP was giving to its management development programme. To the extent that technical assistance needs best met by bilateral donors were identified, he believed that DAC members would be responsive. DAC continued to appreciate the work being done under the NATCAP system, the fundamental goal of which was improved planning and management of aid by the recipient country. DAC members stood ready to co-operate with UNDP and recipient Governments in carrying out those joint exercises.

100. Helping Governments was only part of the job. In a world which increasingly recognized the vital role of the private sector, ways must be found of providing the best possible supportive environment and, in that connection, DAC's recent publication "Promoting private enterprise in developing countries" recorded the results of work done over the past two years.

101. DAC's High-Level Meeting statement had placed new emphasis on stimulating productive energies through investment in people and participatory development. That implied more democracy, a greater role for local organizations and self-government, respect for human rights, including effective and accessible legal systems, competitive markets and dynamic private enterprise. During the 1990s donors would be seeking more opportunities to help build the institutions which would encourage human development. In that connection he commended the focus given in UNDP's Human Development Report, 1990 to the opportunities opening for both developing and industrial countries to reduce military expenditure and utilize more resources for investment in people. It was a tragedy that developing-country military expenditure had increased by 7.5 per cent per annum over the past 25 years, more than twice the rate of industrial countries.

102. Donors would also continue to encourage and provide aid through NGOs. In Bangladesh, for example, such aid was exemplified by the Grameen Bank mini-loans to village women, the Bangladesh Rural Advancement Committee's efforts to bring primary education to population groups which had been missed by the public system, and the useful work of a number of Bangladesh NGOs in providing family planning services for some 8 million people.

103. DAC continued to be concerned with gender issues through its Expert Group on Women in Development and, during the previous year, had approved revised guiding principles on women in development which, it hoped, would make an important contribution in that field. Another example of participatory development was the important work performed by some 33,000 volunteers in developing countries. The United Nations Volunteers programme was providing 1,800 volunteers, with an average age of over 38, with 10 years' experience and usually holding advanced professional degrees. They came at costs dramatically lower than full-paid experts. He hoped that current recruitment efforts would result in more women volunteers. It was also his hope that the World Summit for Children in September would give greater political support to programmes which could help the next generation build on the progress made over the past 40 years by reducing mother and child mortality, mitigating hunger and increasing literacy.

104. During the 1980s the world had come to recognize that the environment had been neglected. Many environmental issues had been identified as worldwide in scope and needing international co-operative efforts. Industrial countries must make very serious adjustments, since so far they had been the major contributors to the problems. But many of the most important environmental problems were manifested in the villages and towns of developing countries as wells became polluted or dry, soil was washed away, or people were forced to walk ever-greater distances to find fuelwood. Environmental problems were also growing in the burgeoning cities.

105. DAC had established a Working Party on Development Assistance and Environment which was reviewing best practices for country environmental studies, including national conservation strategies and environmental action plans. Both UNEP and UNDP were participating in the Working Party. Other OECD committees were studying economic and environmental issues. Consideration was also being given to the question of how DAC members could contribute most effectively to the 1992 United Nations Conference on Environment and Development in Brazil. In that connection, Resident Representatives could play a critical role as UNEP country representatives; there would be a need for improved co-ordination of efforts in the environment field.

106. DAC members had been working closely with UNDP under the leadership of the World Bank to co-ordinate support for structural adjustment in Africa. According to the World Bank's most recent report, aid levels for the 22 participating African countries had gone up some 10 per cent annually over the past three years. Improvements in quality had also been achieved through increased untying, more fast-disbursing types of assistance, and simplified procedures. The development task in Africa was still, however, at an early stage and means must be found jointly to double the annual increases in agricultural production. Those had been running at 2 per cent, or 1 per cent less than population growth, and needed to reach 4 per cent or more. For that, fertilizer strategies and the implementation of national

strategies for agricultural research were needed. There was also a need to continue the joint effort to achieve education for all, to improve management and to create infrastructure. He believed that DAC members were prepared to stay the course and to move from structural adjustment at the macro-economic level to more effort in the various sectors and then to financing the required infrastructure.

107. The least developed countries were heavily dependent on outside resources; more than half received more than 20 per cent of GNP from aid. For that group of countries, the special task was to build conditions where aid could be effectively translated into development. All the factors he had mentioned earlier applied with special force to the least developed countries, which, however, would progress only if they grasped the leadership themselves. He looked forward to a programme of action from the forthcoming United Nations Conference on the Least Developed Countries.

108. The Jomtien Conference on Education for All, sponsored by UNDP along with UNESCO, UNICEF and the World Bank, had developed a common view that achieving education for all was essential to successful development. DAC had decided to devote a future meeting to education and that would provide an opportunity to consider what the aid agencies could do.

The meeting rose at 1 p.m.

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Thirty-seventh session

SUMMARY RECORD OF THE 20th MEETING

Held at the Palais des Nations, Geneva,
on Tuesday, 5 June 1990, at 3 p.m.

President: Mr. POPESCU (Romania)

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High-level segment: policy review

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The meeting was called to order at 3.05 p.m.

HIGH-LEVEL SEGMENT: POLICY REVIEW

1. Mr. BOTCHWEY (Ghana) said that, in the view of most analysts, the 1980s had been a disaster for Africa: per capita income had declined further even though it had risen modestly for the developing countries as a whole. It was therefore appropriate to carry out a thorough and objective appraisal of the situation, since it was only in that way that the international community would be able to deepen its understanding of the complex problems of African development and commit itself to the adoption and implementation of more resolute action to address them.

2. He did not share the view that the African crisis was wholly attributable to internal factors. A great deal more certainly needed to be done in some areas of economic management policy, but it could not be said that the African countries were not coming to grips with that task. It must not be forgotten that more than 30 African countries were engaged in the implementation of difficult structural adjustment programmes, with the support of IMF and the World Bank, while some of them no longer had access to loans from those institutions because they were in arrears in their payments. In those circumstances, it was highly regrettable that the United Nations Programme of Action for African Economic Recovery and Development was coming to an end in 1990 with little in the way of achievement. At the present time, decisive measures must be taken to alleviate the debt-servicing burden and to halt protectionism in international trade.

3. With regard to the political context of economic reform programmes, he was fully aware there could be no stable economic development without the democratic participation of the population, in particular of communities; structural democratization should, however, acquire some local form and content; it would be inappropriate, and even dangerous, to try to impose it from outside, for example, through aid conditionality. While a great deal remained to be done in that regard, the peoples of Africa would be equal to the task, since they had waged the most heroic struggles against oppression and tyranny in the past.

4. It was necessary to determine what UNDP and the donor community could do to alleviate the African crisis. He noted with satisfaction that the Administrator had taken measures to meet some of the concerns expressed by countries at the previous session of the Council. He endorsed the idea of allocating a greater portion of available resources during the fifth cycle to the poorest countries, i.e. those with a per capita GNP of less than $750. In supporting economic recovery programmes in those countries, UNDP must continue to maintain an appropriate balance between institutional building and development programmes, in particular those of poverty alleviation, food production and preservation, and social transformation in rural areas.

5. With regard to agency support costs, he recognized the need for agencies to earn income in order to cover costs and the fact that they often had skills which the African countries needed; automatic execution by the specialized agencies of UNDP-funded projects was not, however, the best way of strengthening the efficiency of the beneficiary countries or of making those agencies accountable to the Governments concerned. Urgent steps ought to be

taken to redefine the framework and procedures by which those agencies executed projects as well as the role of beneficiary countries in controlling and monitoring their work. In the final analysis, national execution was preferable to any other modality. Those who executed projects felt responsible for them and internalized the experience they acquired to a greater extent.

6. It was of especial importance that UNDP should maintain its credibility by staying above any ideological and political influences that might be exerted by those affected by triumphalism. On the occasion of UNDP's fortieth anniversary, all countries should undertake to increase their contributions in order to double the resources available for the fifth programming cycle. He paid a tribute to the dedication with which the Administrator and the UNDP staff had worked throughout those 40 years.

7. Ms. AL-AWADHI (Observer for Kuwait) thanked the Administrator for his efforts to implement policies and programmes adopted at the international level to assist the developing countries, and in particular the least developed countries. She also congratulated the Director of the Regional Bureau for Arab States for his praiseworthy efforts to simplify the establishment of national programmes.

8. As a new decade opened, she wished to express the hope that the development strategies for the 1990s would be based on the human factor, for man was, in the last analysis, the driving force as well as the recipient of development. It was clear from the report of the Administrator that UNDP was aware of the importance of that human dimension and intended to remove any social, cultural or economic obstacles to the material, spiritual and moral development of the human person. Human resources development required the satisfaction of the essential needs of man in such areas as water supply, food, health, education and work. The health situation in the world continued to be extremely serious: malnutrition and drug addiction still wrought havoc while AIDS deprived countries of men and women in their prime working years. According to the World Health Organization, 6 million children died each year from diseases which could be prevented and $2.5 billion needed to be spent each year on vaccination programmes for that purpose. That situation, which was due to poverty as well as to ignorance, hampered the efforts made by countries to promote economic development.

9. In that connection, she welcomed the efforts made by UNDP to assist the least developed countries in carrying out the reforms necessary to reactivate their economy and, in that way, to develop the institutional structures they lacked. By and large, the indebtedness of developing countries was so great that many of them were hardly able to maintain a minimum level of life and even less to meet their debt service burden. They had no hope of progress until the debtor and creditor countries jointly devised, in the interest of all, innovative, comprehensive and decisive solutions to the debt problem. She recalled that Kuwait had submitted a proposal to that end.

10. Natural disasters also affected all sectors of a country's economy and, in that connection, UNDP had done much to attenuate their effects in Africa and Asia.

11. While man had to be at the centre of development, it must not be forgotten that nature was the source of all life: development must therefore also respect the environment. In other words, national, regional and international programmes must ensure a balance between environmental protection and economic progress. She noted that UNDP was seeking to impart an ecological dimension to all its activities. She indicated that the Arab countries were actively preparing the United Nations Conference on Environment and Development, which was to be held in Brazil in 1992, and in which they intended to support a joint policy.

12. The necessary resources must be found to resolve all those problems and to ensure a decent life in a healthy natural environment for the present and future generations. She therefore called on the great Powers to end the arms race, to renounce weapons of mass destruction, and to reduce their military budgets, so that international relations could develop in a climate of détente and the resources thus released could be used for the development of all.

13. She welcomed with satisfaction the fact that Namibia had become a Member of the United Nations and was sure that it would contribute to the development of Africa. As to Palestine, she requested the international community to provide the Palestinian people with all the assistance they needed in order to regain the exercise of their legitimate rights and the enjoyment of their territory.

14. Lastly, following the upheavals which had transformed the international political scene during the past year, the East-West dialogue should not take precedence over the North-South dialogue, at the expense of the interests of the third world; instead, those changes should be an opportunity for strengthening international peace and establishing a new economic order that would benefit all.

15. Chief FALAE (Nigeria) said that the 1990s should differ from the 1980s which had been negative for the developing countries as a whole, in particular because their debts had continued to increase; the debt of the sub-Saharan countries had risen from $6 billion in 1970 to more than $134 billion in 1988, i.e. the equivalent of those countries' combined GNP and three and a half times the amount of their export earnings. Six countries in the region, including Nigeria, had been reclassified as low-income countries. Moreover, the African continent was not the only one to have experienced the consequences of that indebtedness, mainly in the form of the negative transfer of resources which seriously reduced those available for socio-economic development. In the 37 poorest countries, per capita health expenditure had dropped by 50 per cent, while unemployment had increased. Environmental degradation had accelerated as countries attempted to survive by boosting agricultural and mineral production through excessive exploitation of their agricultural and mineral resources. All in all, the 1980s had been "the lost decade" for the developing countries.

16. On the threshold of the new decade which was beginning at a time of positive developments on the international economic and political scene, in the developing countries a number of problems needed to be tackled immediately: the declining standard of living; deteriorating infrastructures; and inflation and unemployment resulting from the heavy debt burden and structural adjustment programmes. There was a need, more than ever before,

for a significant increase, in real terms, in the overall resources available for development in the South. His delegation noted with satisfaction that contributions to UNDP and trust funds administered by it had attained for 1990 the figure of $1.3 billion, representing a 5 per cent increase over the 1989 level. However, the Administrator was right to recommend that donors should increase their contributions by 16 per cent in order to double programme delivery in the fifth programming cycle (1992-1996).

17. His delegation believed that the basic criteria of per capita GNP and population should be maintained in order to determine the country IPFs for the fifth programming cycle. The practice whereby 80 per cent of the IPFs was allocated to countries with a per capita GNP of less than $750 should be continued. However, consideration should also be given to increasing the IPFs in the fifth cycle for countries which had been reclassified downwards in the fourth cycle or granting them increased resources under the Special Programme Resources in order to facilitate their painful economic and psychological structural adjustment. His delegation fully supported the Administrator's recommendation to allocate $300 million to the Special Programme Resources during the fifth cycle.

18. His delegation joined most delegations in supporting the maintenance of the current distribution between country and inter-country IPFs. On the other hand, in view of the need to give maximum encouragement to the economic integration of the South, it would be appropriate to revise the IPFs allocated for regional programmes. UNDP should increase its co-operation with sub-regional economic groupings, such as the Economic Community of West African States (ECOWAS) and the Southern African Development Co-operation Conference (SADCC) and grant them with additional assistance in order to promote investment, market development and labour mobility in those regions. His delegation also supported the Administrator's proposal that the IPF for the national liberation movements should be maintained at the same level.

19. UNDP and recipient countries should also work closely together to ensure maximum effectiveness in the deployment of resources and development assistance. A consensus seemed to have emerged in favour of strategic planning and programming to replace the project-by-project approach, which did not sufficiently promote coherent policies for national and regional development. In that regard, UNDP should make more use of the National Technical Co-operation Assessment and Programmes (NATCAPs). One such mission was currently in Nigeria and was receiving his Government's full co-operation.

20. Convinced of the need for greater harmonization of the plans of development agencies with the priorities established by Governments, his delegation had noted with satisfaction that the Administrator intended to improve UNDP's policies and methods of operation on the basis of a re-examination of its goals and objectives.

21. His country supported the various funds established by UNDP and in particular the Special Measures Fund for the Least Developed Countries, which had not yet fully realized its potential benefits and should be used to a greater extent for capital assistance. The improvement in infrastructural facilities would be of great assistance in promoting private sector development in recipient countries.

22. In the 1990s, UNDP should strive in particular to enhance institutional capacity in developing countries. Furthermore, environmental protection was also essential in order to ensure sustainable development and should also be accorded high priority within the framework of technical co-operation in the 1990s.

23. Mr. MAHLAHLA (Zimbabwe) noted that in the course of 40 years of technical co-operation for development, UNDP had achieved some of its basic objectives in the field of technical assistance. However, as with all development aid institutions, some of its projects had had a limited success for various reasons including: the failure of some Governments to provide the necessary budgetary support; the use of a project-based rather than programme-based system; the need for a counterpart as a basis for the transfer of technical know-how, an unduly rigid arrangement which did not allow of checks and balances until the expiry of the expert's contract; the failure to include evaluation as an aspect of the project, which meant that its success or failure could be determined only after completion of the project. The design of the technical assistance component in a project should therefore be clearly defined in terms of what the expert was supposed to do or "transfer" to the national counterpart. It was also necessary to include in the project a periodic monitoring and evaluation system and to determine, prior to project implementation, the length of the period during which the counterpart required an expert. The tripartite reviews of UNDP should be revised along those lines. Furthermore, while one of the advantages which UNDP had over bilateral technical assistance was that it recruited experts throughout the world and therefore enhanced local capabilities, problems of cultural differences could lead to difficulties in communication between experts and nationals.

24. There was no doubt that technical assistance had contributed a great deal towards overall development in Zimbabwe. However, in order to implement its projects, UNDP used a standard format which did not take cognizance of socio-economic and cultural differences among countries and had hampered efficient implementation of the list of projects in the pipeline. A fundamental principle should be to ensure that the format took that heterogeneity into account.

25. The success of any programme was measured by the ability of the recipient country to implement and sustain the programme long after the experts had left. UNDP must therefore recognize that the prerogative for identifying needs should rest with the recipient country and that the country should implement the programme whenever local capacity existed. In other words, the role of technical assistance should as far as possible be advisory in nature, should focus on the transfer of the requisite skills, and should develop or upgrade local capacity. Technical assistance should create a genuine partnership relation between UNDP and the recipient country.

26. The Technical Co-operation among Developing Countries (TCDC) programme could serve as a mechanism for advancing the capacity of developing countries to implement programmes; for their part, those countries should seize every opportunity to intensify that type of South-South co-operation.

27. Technical assistance was only one component of a project or programme; because countries received aid from both bilateral and multilateral organizations, it was imperative to co-ordinate all technical assistance

received by a given country; consequently, UNDP had gradually developed the National Technical Co-operation Assessment and Programmes (NATCAPs). There was no doubt that NATCAPs could increase efficiency in the use of UNDP resources and those of other donors, and his country had signed an agreement with UNDP to set up a NATCAP programme in Zimbabwe.

28. In 40 years, UNDP had set up infrastructures, developed human resources and played a catalytic role. In time, however, the executing agencies had sought to become funding agencies as well. That was why it was difficult at the present time to co-ordinate the various components of the system, a situation which affected its efficiency and the quality of services provided and projects delivered.

29. With regard to the preparations for the fifth programming cycle, his delegation could support the Administrator's proposal for a doubling of resources, provided, however, that whatever growth rate the Council agreed on, it should be one that enabled UNDP to address the needs of the developing countries. It would be unacceptable if any targeted growth rate led to a decrease in delivery in the fifth cycle relative to the fourth cycle. His delegation supported the Administrator's intention to give priority, in the allocation of available resources, to low-income countries, in particular, the least developed countries. However, it was essential to retain the floor principle as well as the supplemental criteria set out in Council decision 85/16. The Special Programme Resources were undoubtedly useful but the Administrator's proposal on that subject required further examination.

30. On the question of agency support costs, the Council had before it reports (DP/1990/9 and 71) which contained useful information and it should take a decision on the matter at the current session. The arrangements agreed on should, in general, further clarify the respective roles of Governments, UNDP and the specialized agencies within the context of the 1970 consensus, which continued to be the reference text on that issue.

The meeting rose at 4.10 p.m.

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Held at the Palais des Nations, Geneva,
on Wednesday, 6 June 1990, at 10 a.m.

President: Mr. POPESCU (Romania)

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Programme implementation

(a) Annual report of the Administrator for 1989 (continued)

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The meeting was called to order at 10.05 a.m.

PROGRAMME IMPLEMENTATION (agenda item 4)

(a) ANNUAL REPORT OF THE ADMINISTRATOR FOR 1989 (DP/1990/17 and Add.1, Add.2 (Parts I and II), Add.3-5, Add.6 (Parts I and II)) (continued)

1. Mrs. ZADIK (Executive Director, United Nations Population Fund) said that as UNDP celebrated 40 years of multilateral technical co-operation, there was reason to be heartened by the transformation of Eastern Europe, the encouraging political changes taking place in southern Africa, the spread of democracy throughout the world and the renewed global affirmation of the indispensable value of multilateral institutions. There was also evidence that the developing countries were resolved to confront deep-seated socio-economic and structural problems; despite considerable financial difficulties, countries had striven to maintain earlier gains in such areas as per capita food supply, education, health and family planning services.

2. At the same time, many countries, especially the poorest, had registered little or no social or economic progress in the 1980s. Assistance net of debt repayments had become a negative quantity, and as a result - despite good economic growth in the developed world - many developing countries had been unable to increase their own economic capacity and self-reliance. Programmes in the social sector, particularly education and health, had often stagnated.

3. Concern had grown about the fragile state of the environment. The combination of poverty and rapid population growth had begun to cause permanent changes in the environment, including massive deforestation and desertification. Conversely, the current development process more often than not contributed to pollution and to the build-up of "greenhouse gases". At any level of development, rapid population growth placed additional burdens on the fixed resources of land, water and air.

4. The 1990s would see faster increases in human numbers than any decade in history. The world's population, currently 3.5 billion, was increasing by three persons every second, a quarter of a million every day or about 1 billion over the next decade. The fastest population growth would come in the poorest countries, with the biggest increases in southern Asia and Africa. That was making it increasingly difficult for countries to meet even basic social needs, given their current resources. While the immediate result was that ever more people would join the ranks of the poor, the hungry and the illiterate, the long term results would be far more damaging.

5. Population issues were not an isolated concern: the degradation of the planet's land, water and air, massive increases in energy consumption, the persistence of widespread poverty, the extraordinary pace of urban growth and rapid increases in population were all aspects of a continuing crisis. Since they interacted with each other, action was needed in each of those areas if a sustainable future was truly to be secured.

6. UNFPA therefore applauded UNDP's recently published Human Development Report as a contribution to a more global vision of development centred on the human being. In that connection, she was grateful to the Administrator for the strong support the Programme had consistently provided for the integration

of population considerations into all development programmes. Given the multisectoral nature of population activities, the co-ordination and participation of all sectors were vital for successful action. Effective co-ordination required regular information exchange, harmonized programme cycles and co-operative activities. It must also be based on common goals and strategies that provided an overall framework for entire sectors and stemmed from national priorities and plans. To cite just one example of improved co-ordination, WHO, UNICEF and UNFPA had agreed to make a concerted effort to assist countries with integrated comprehensive national health funds.

7. UNFPA expressed its appreciation to Mr. Blanca, the Director-General for Development and International Economic Co-operation, for his excellent triennial policy review of United Nations operational activities, the document which had triggered General Assembly resolution 44/211. UNFPA was already implementing many of the initiatives referred to in the resolution and looked forward to working with countries, all agencies in the United Nations system and NGOs in its further implementation.

8. As the findings of the agency support cost study had clearly pointed out, current arrangements for technical support had not adequately met the requirements of recipient countries. A more comprehensive support scheme would put greater reliance on national expertise and institutions, while drawing on the technical resources of the United Nations system and all other external sources of assistance.

9. A number of international meetings and instruments had stressed the importance of population issues. Many developing countries had population policies, and nearly all countries were implementing population programmes. Nevertheless, population could quickly become a controversial topic, as had been seen at the recent General Assembly special session on international co-operation. It was regrettable that population matters, as well as such social issues as the role and status of women, were still too often used as political debating points or ignored altogether. That was all the more reason for members of the Council to emphasize as strongly as possible, in all development forums, that population was a critical development issue and that improvement of the role, participation and status of women was crucial to the achievement of population and development goals. The International Development Strategy, the Conference on the Least Developed Countries and the preparatory meetings for the 1992 Conference on Environment and Development each offered important opportunities to underscore the links between population, resources and development.

10. Experience had shown that population programmes could be successful. Success in the future might be defined as achieving the goals adopted by consensus at the 1989 International Forum on Population in the Twenty-first Century and subsequently noted with appreciation by the General Assembly. That would require doubling overall programme resources by the year 2000. It would also call for programme efforts in harmony with the cultural and social settings in which such programmes were launched, and careful monitoring of their effects.

11. Restoring impetus to development demanded immediate action in at least four areas: most importantly, a shift in development priorities towards the social sectors; a direct and all-out attack on poverty itself; a shift to cleaner technologies, energy efficiency and resource conservation by all

countries, and especially the richer quarter of the world's population; and reductions in overall rates of population growth. Reducing population growth, particularly in countries with the highest growth rates, would be a crucial part of any strategy of sustainable development. The choices of the next decade would determine the shape of the twenty-first century. They would not be easy, but they were clear and must not be delayed.

12. Mr. BLANCA (Director-General for Development and International Economic Co-operation) said that the grim conditions in much of the developing world had shown little sign of significant improvement in the past year. On the contrary, the prospect was for a dichotomous world economy in which the gap between the rich and the poor would continue to grow. He shared in the general elation over the new spirit in Eastern Europe, but was unable to forget that the spirit of more and more millions of human beings in the developing countries was turning to despair and anger in the face of abject poverty. He shared the hope that economies long stagnant in the developed countries might experience a surge of productivity, but was unable to forget that the growth rates of the economies of many developing countries had stagnated or even declined in the 1980s.

13. The external economic environment of massive indebtedness, continued high interest rates, net transfers to the North, capital flight, reduced external investment, persistent trade-barrier disadvantages and the loss of traditional commodity export earnings had combined with the domestic environment of eroding internal economies and infrastructure, population growth and urban sprawl, the absence of land reform and growing resource degradation, and the overall result had been devastating. One billion persons were currently living in absolute poverty, and unless action was taken, that number would grow by another 500 million by the end of the decade. The effects on human beings of such poverty, deprivation and ecological degradation, in the form of inadequate health, nutrition and education of children, family dislocation and the under-utilized capacities of millions of adults, would be irreversible over a generation or more. The capacity to govern under those conditions had already been called in question.

14. It was against that background that the recent General Assembly special session on economic co-operation was of particular significance. The declaration adopted at that session by consensus reaffirmed the priority of development on the international agenda and reflected recognition of the fact that national development efforts were inextricably affected by the external economic environment, as well as by the quality of national policies and management. The declaration emphasized the need to resolve key problems in the areas of debt, finance and trade, supported the reform efforts of East European countries, gave a rightful place to the importance of addressing critical environmental issues and placing emphasis on human developments and the elimination of poverty, and reaffirmed the role of the United Nations in international economic affairs. The declaration was a statement of intent, but would only take on real meaning if it was translated into action.

15. The operational activities of the system could not by themselves resolve the problems confronting developing countries. The United Nations could, however, improve its capacity to help those countries make the best use of their domestic and external resources so as to be ready for the recovery that must come. There were grounds for great hope on that account. For the first

time in many years, the General Assembly had addressed in a comprehensive manner the changes required in the system to respond more effectively to the needs of the developing countries and had accordingly adopted resolution 44/211. It was a measure of UNDP's leadership that the Council had before it at the current session a wide range of proposals by the Administrator that closely responded to the resolution's provisions.

16. The resolution provided such general new policies as decentralization to the country level and decisive movement towards enabling Governments to assume full responsibility for programmes and projects. But the resolution also contained a companion perspective: specificity of response by the system to each developing country's individual circumstances and needs. It called upon UNDP to organize itself in such a way that the system's structure and composition at the country level corresponded to ongoing and projected co-operation programmes in each country, rather than to the institutional structure of the system itself.

17. National execution must not be externally imposed at some uniform pace. It must be for the Government of every developing country to decide when, how rapidly and in which programmes and projects it wished to shoulder full responsibility for implementation, in which to continue full implementation by an agency of the system, and in which to adopt one or another intermediate, collaborative modality drawing on the capacities of the system. Special attention must also be paid to other intricate aspects of change. No one wished to see an end to the historic tripartite system of co-operation that had been a hallmark of technical co-operation. To continue to respond to the developing countries' special trust in that system required a sustained but more substantive role by the specialized agencies and other entities that had traditionally executed projects. A careful reading of resolution 44/211 showed it to be in favour of more support from agencies, which must concentrate more on excellence of information and technical advice.

18. That in turn was related to the enormously complicated issue of successor arrangements for agency support costs. Member States might need to anticipate how to co-ordinate their policies in the different governing bodies. The architecture of implementation financed from voluntary contributions must be appropriately reinforced by regular budget provisions for the reinvigorated services of the specialized agencies and technical entities. Too often in the past, reforms had been adopted piecemeal, each separate intervention proving unsustainable because its necessary complementary action had not been perceived. Resolution 44/211 called for a comprehensive and coherent effort on the wide range of issues addressed in order to build an effective and lasting structure.

19. It was important to ensure continuous and well-orchestrated co-ordination between secretariats. In that connection, the member organizations of the Joint Consultative Group on Policy had already taken a major step forward in implementing resolution 44/211 by agreeing to issue a joint letter to their country representatives seeking the harmonization of their programme cycles with those of Governments. He welcomed the agreement by the Consultative Committee on Substantive Questions (Operational Activities) to launch the new experimental programme for the orientation of resident co-ordinators and other country representatives. He would make a special effort to ensure co-ordination of the complex joint work required during the three-year schedule for implementation of resolution 44/211. In his 1988 report on

operational activities, he had recommended overcoming constraints on technical co-operation among developing countries (TCDC). It made no sense for the vast populations of the South to continue waiting for more favourable economic and commercial winds from the North while neglecting the enormous opportunities for co-operation and economic integration among themselves. The developing countries must also look South, and industrial countries must assist them in TCDC, from whose fruits they too stood to gain.

20. He attached great importance to the forthcoming study of the role of operational activities in the eradication of poverty and the companion study on women in development. The whole system must gear itself to assisting countries in their response to a new motive force sweeping through the world, the efforts to empower people as the agents of their own development.

21. It was also important for UNDP to reorganize itself at the country level so that it could provide more coherent, multidisciplinary advice and assistance to Governments. That was a prerequisite for more effective action to combat poverty and under-capacity and for the most effective use of the unique resources available in the United Nations system. To that end, the United Nations resident co-ordinators must take on far more onerous responsibilities as leaders of new country teams of co-ordinators.

22. UNDP had embarked upon a process of innovation and improvement in its operational activities. That process was as momentous as any in its history. At stake was a decade of development, which must not be another lost decade for most developing countries.

23. Mrs. CHALKER (United Kingdom) said that technical co-operation was the only form of aid that could directly contribute to the growth and rapid evolution currently taking placing in whole societies. Its importance far outweighed its financial cost. But an even greater challenge overshadowed the very future of the human race: the inextricably-linked issues of unabated population growth, the threat to the environment and global poverty. Even relatively sophisticated economies with a sound resource base and good government faced almost insurmountable difficulties in providing basic education and health facilities, much less employment opportunities, for their young people. Even the widespread use of new technology seemed incapable of halting the enormous problems associated with the environment: the destruction of cultivable land and natural forest through overgrazing, the search for wood as fuel and burgeoning populations that the land could no longer support.

24. The cities of developing countries were growing at an alarming rate, and the economic and social problems they faced held scant hope for the future; by 2015, the world's urban population was expected to double. Close to 90 per cent of that growth would occur in cities of the developing world. Those frightening prospects were the direct result of a failure, one or two decades ago, to recognize the long-term consequences of population growth and to grasp the opportunities for encouraging changes in social and cultural values that were needed to cut fertility levels.

25. The environmental challenges facing the world seemed overwhelming. But work to find the right responses was moving ahead in a number of international agencies, and she commended UNDP for joining the World Bank and UNEP in their assessments of action needed. It was vital for other United Nations

specialized agencies with a clear mandate in the area, such as UNIDO and FAO, to be kept abreast of that work and given access to its outcome, but that must not create even more problems of co-ordination in the United Nations system. In addition, UNDP had a clear responsibility to see that environmental-impact assessment was built into all the relevant projects and programmes it financed and to ensure that, during the discussion with each recipient country about the use of the money at its disposal, ways of building up capacity in the area were high on the agenda.

26. Of particular importance was the need for a change in attitudes towards women. All too often, they found themselves at the bottom of the economic heap, with limited rights, little access to education and no encouragement or freedom to develop and exploit their talents as producers, managers and entrepreneurs. Nations thus wasted half their human capital. The United Kingdom welcomed UNDP's recent report on human development, which brought that point out very strongly and stressed that development and growth meant little unless they succeeded in giving men and women more control over their future.

27. The heart of the work to be accomplished by technical co-operation was the creation of good Governments, sound and efficient institutions, intelligent management and the wide educational base from which all that must spring. That long-term task must be carried out most urgently in the poorest countries, which were, and ought to be, overwhelmingly the recipients of UNDP help. That had been set out in the World Bank's "Long-term perspective study on Africa" and had been shown by the setbacks experienced by those African countries and others which had led to the need for adjustment and structural change. Radical changes in institutions were a prerequisite for sound and sustainable growth.

28. UNDP and its executing agencies had a special role and responsibility in that regard. The role called for greater and purposeful streamlining of most technical co-operation into concentrated programmes of institutional revival, with sequential actions carefully planned as each stage of recovery took place. The responsibility required working with other donors, in particular those chiefly able to support the relevant countries with their intellectual and financial resources. Her Government welcomed UNDP's participation with the World Bank and African Development Bank in the new "African capacity-building initiative". But it was important for all those who handled and executed UNDP projects to adapt their own structures to needs.

29. The truth was, that 40 years after its birth, there was rising dissatisfaction among recipients and donors alike with the impact of much United Nations and UNDP assistance. If the system as a whole, and UNDP in particular, were to retain the support of donors, the time had come for radical measures. The system must adapt so as not only to deliver the goods, but to be seen to be doing so. Of course, its various agencies and bodies had their own independent existence and governance, but member States and donors had a right to expect three things from them, especially if they were to continue to spend donors' money through UNDP. First, there must be an end to the bickering over rival claims to competence in areas of common or undefined responsibility. Donors must insist on an end to empire-building, whether by different agencies or, for that matter, by UNDP. Secondly, there must be much closer and more committed teamwork on the ground, with the Resident Co-ordinator taking the lead in mobilizing all the resources of the

United Nations system - not just UNDP money - to meet a country's agreed priorities. And thirdly, there must be proper standards of planning back-up, especially country-focused back-up in the larger executing agencies, and arrangements for identifying, appraising, monitoring and evaluating UNDP-financed programmes and projects. The new system of reimbursing costs must clearly help to achieve those objectives, especially with the major executing agencies, even if the narrowly-based and highly-specialized agencies had to be dealt with differently.

30. The Governing Council must take the right decisions for the cycle due to start in 1992. Decisions of principle taken now would allow the agencies to reshape their budgets and programmes in good time to get the new system off to a flying start. One clear obligation would thus fall to Member States: namely, to back up the decisions taken by the Council by consistent instructions to their representatives in all the other bodies concerned. Naturally, there were many internal problems; but those problems must be overcome.

31. Much had been said about national execution of UNDP projects. She saw the ability to execute such projects as the aim and outcome of UNDP's efforts, rather than as the means of achieving them. Learning by doing was a commendable process, but the doing must be the output of UNDP help rather than its input. The needs of the weakest and poorest countries for such help were so great that they far outweighed the arguments for universality of benefits to all developing countries. In striking a balance between the two, the United Kingdom as a contributor saw it as very important to give much greater weight to those needs, and it expected much greater relative allocations in the fifth cycle to go to the very poorest countries.

32. Her vision of the future also implied changes and a new vision within UNDP itself. First, a more "hands-on" approach was needed to the dialogue with recipients about the use of money. That approach must be properly concerted with the plans agreed with other main donors, especially the World Bank. Secondly, a revised emphasis on capacity building, on programmes rather than projects and on cross-cutting themes would mean a different focus within management. Thirdly, a better operational system would require some changes of attitude within UNDP as well as within the agencies. And fourthly, UNDP would need a clear and uniform vision of the back-up and other services it needed from the executing agencies. It would also need the determination to insist on them, and to ensure through monitoring that it was getting what it paid for, or rather what contributors were paying for. The Administrator's resolve to improve UNDP's policies, and the fact that he had already commissioned and received independent advice on its structures, were to be welcomed. Her Government would support him in his task, so that by the system's fiftieth anniversary it would be able to look back with satisfaction on a solid decade of achievement in the 1990s.

33. Mr. KRSTAJIC (Yugoslavia) said that UNDP must formulate new development strategies in response to the new needs and development processes emerging in a rapidly changing world. Governing Council decision 89/20 and General Assembly resolution 44/211 had given UNDP a clear mandate for the 1990s regarding its central funding and co-ordinating role within the United Nations development system and its guiding principles and methods of operation. However, some aspects of UNDP's role in the 1990s had been left

for further elaboration and the Council's specific decisions, particularly the question of formulation of the UNDP funding strategy, the elements of which were outlined in document DP/1990/20.

34. His delegation basically shared the Administrator's views on the main characteristics of UNDP's future role in development processes. However, it favoured a more thorough approach in two areas: first, the Administrator's optimism regarding overall prospects for development in the 1990s; and secondly, the concept of globalization. With the exception of some environmental concerns, major development problems were still concentrated in certain parts of the world, while major development processes still tended to evolve in isolation. Against that background, the concept of globalization seemed somewhat relative and indeed questionable. It was thus of the utmost importance to design a UNDP funding strategy to which the world community would be committed on a firmer and more integrated basis.

35. With regard to the planning and distribution of resources for the fifth cycle, his delegation wished to reiterate that, without more ambitious resource allocation, there could be no genuine strengthening of UNDP's flexibility and capacity to respond to changing and growing needs. Annual growth must thus be primarily assumed in real terms in order to preserve the value of UNDP's contribution to overall development co-operation efforts. The ratio of country to intercountry IPF programmes within the fifth cycle allocation should again be 81/19. Any increase in the intercountry IPF allocation might further erode the value of the country IPFs, which had a more direct impact on the development efforts of the countries concerned.

36. With regard to the criteria for the allocation of IPF resources to country IPFs, his delegation favoured the following options considered in document DP/1990/8. First, there should be a sizeable increase in the assumed annual growth of resources, and priority should be given to low-income countries in allocating resources, in line with Council decision 89/20 and Assembly resolution 44/211. Secondly, the "floor principle" should be retained, in order to preserve the continuity, flexibility and universality of the Programme. Thirdly, fuller account should be taken of supplementary criteria in calculating country IPFs. The formula for supplementary criteria outlined in document DP/1990/8 seemed to his delegation reasonable and justified.

37. Turning to the question of programming UNDP technical assistance, his delegation supported adherence to a more programme-oriented approach, which would bring greater coherence, cost effectiveness and efficiency to the execution of UNDP's technical co-operation activities. While the established partnership with agencies should be improved, the national capacities of recipient countries should also be further enhanced, in particular, through government execution. His delegation agreed with the Administrator's proposals in that regard, and with those aimed at greater use of national experts available in developing countries and at strengthening TCDC, all of which would contribute significantly to upgrading developing countries' technical and managerial capacities, and to their self-sustained development. His delegation also welcomed the expanding role of United Nations Volunteers, particularly through wider participation of developing-country experts.

38. Ever since its inception, UNDP had made important contributions to Yugoslavia's development efforts. The Administrator had had the opportunity to become acquainted with its development policies and programme of economic reform during his recent visit. He could be assured of Yugoslavia's continuing support for UNDP's important role in the development co-operation endeavours that lay ahead.

39. Mr. ARTEAGA (Venezuela) said that structural adjustment policies and the increase in external debt were imposing great sacrifices on the developing countries, including those of Latin America, generating political and social tensions that jeopardized the future of their peoples. In recent years, however, extraordinary efforts had been made to strengthen the trend towards democracy and freedom in the region, and to ensure that that trend was irreversible. Governments were thus faced with a dilemma: how were they to reconcile the necessary adjustment of their economies with the strengthening of democracy and peace in society?

40. His delegation did not share the pessimistic view held in some quarters regarding the consequences for Latin America of the changes taking place in Eastern Europe. On the contrary, the opening-up and revival of those economies must lead to a substantial growth in demand for Latin American primary products, new export opportunities for manufacturers, and new possibilities for technological and trade co-operation.

41. In 1989, the Venezuelan economy had been subjected to severe macro-economic adjustment, intended to correct the serious structural and short-run economic imbalances which had accumulated and were jeopardizing Venezuela's growth and welfare opportunities. Given the obvious futility of persevering with worn-out schemes or confining its action to a traditional economic package, the Government was proposing to effect a major reorientation of the economy and society as a whole.

42. The reforms in the political sphere were aimed at making Venezuela's democracy more participatory and more representative. The economic programme was aimed at modernizing the economy and increasing its efficiency and competitiveness, through restructuring of the production system. In order to achieve those objectives, a package of monetary, financial, tax and trade reforms had been introduced, with the aim of stimulating participation by domestic and foreign private agents in national development. The effort Venezuela was making with its own resources was clearly insufficient to enable it to cater for basic social needs with the requisite speed to obtain sustained growth. In parallel with those economic and social efforts, the Government was modernizing its institutions with a view to more efficient management. In that process, national efforts must be combined with effective international co-operation. UNDP had played a very valuable role in Venezuela, serving as a catalyst for development co-operation programmes through means such as utilization of national capacity, greater government execution of projects and TCDC.

43. His delegation reaffirmed its support for the 1970 Consensus as the guiding principle of multilateral co-operation, which must be flexible, universal and neutral so as to permit the strengthening of national capacities. Those characteristics, which had given UNDP life in the past, now constituted its raison d'être and largely accounted for the successes achieved

over 40 years. To limit them now would be a great mistake and would be seen as penalization by those who had made the greatest efforts to increase their capacity to absorb international technical co-operation. It was thus unacceptable that some countries should be earmarked for UNDP support while others were excluded. The "floor principle" must be retained as one of the fundamental criteria in the fifth-cycle negotiations. The donors' commitment to the future of the Programme must be commensurate with their capacity, so as to maximize exploitation of the existing institutional infrastructure and guarantee continuity of achievement. The industrialized countries' commitment to devote 0.7 per cent of their GDP to international co-operation programmes should oblige them to step up their efforts to attain that target.

44. Members of the Council shared responsibility for the difficult decisions to be taken at the thirty-seventh session. Sound judgement and prudence must prevail and lead to specific proposals aimed at strengthening the developing world's capacity to face the formidable challenges of the present.

45. Mr. IJUIN (Japan) said that the changes and challenges that had emerged in the world in recent years were both the cause and the effect of the ever-increasing interdependence of nations, and underlined anew the importance of international co-operation. Despite the modest volume of resources channelled through it, the United Nations development system had an invaluable role to play in securing sound and sustainable development in developing countries. As part of the commemoration of 40 years of multilateral technical co-operation for development, the Japan International Co-operation Agency had held a seminar on Africa, with the participation of General Obasanjo of Nigeria and senior UNDP staff members. Japan had also steadily increased its contribution to UNDP and committed itself to continuing such support.

46. General Assembly resolution 44/211, which enunciated a set of principles and measures constituting a reform of the entire United Nations development system, contained four main policy guidelines: promotion of national execution; decentralization of authority and capacity to the field level; redefinition of the role of the agencies in technical co-operation activities; and a shift from a project-by-project to a programme approach. His delegation fully subscribed to those goals, and believed that the policy framework provided by resolution 44/211 should guide the deliberations of the relevant forums, including the Governing Council.

47. Decisions to be taken at the thirty-seventh session on the fifth programming cycle, agency support costs and national execution would be of crucial importance to the future direction of UNDP and United Nations activities in the field of technical co-operation. If the action taken at the previous sessions of the Governing Council and the General Assembly regarding those three closely-related questions could be described as the bones of the reform effort under way, the action to be taken at the current session should provide its flesh and blood.

48. On the question of the fifth programming cycle, his delegation believed, first, that the resources of UNDP should be utilized in a manner consistent with its basic characteristics and comparative advantages. Country specificity and universality were the two essential characteristics of UNDP and should be the basis for UNDP programming for the fifth cycle. Secondly, with regard to policy priorities for resource allocation to recipients and areas of activity, his delegation supported priority allocation to the poorer

countries, poverty alleviation, and capacity building in developing countries. Within that broad policy framework, a pragmatic and flexible approach should be adopted in determining the actual allocation of resources. With regard to the allocation of funds to Special Programme Resources (SPR), his delegation basically supported the proposal put forward by the Administrator. As to the allocation of country IPFs, his delegation was sympathetic to the idea of favouring the least developed countries because of their adverse situation. However, the objective of priority allocation to those countries could also be achieved through other measures, such as revision of the existing supplementary criteria. A comprehensive approach should thus be adopted in addressing the problem.

49. While recognizing that some recipient countries attached great importance to maintenance of the floor principle, his delegation was not fully convinced by the arguments adduced in previous discussions. With only a modest increase in resources forecast in the fifth cycle, maintenance of that principle might impose serious constraints on the flexibility of resource allocation. In his view, the time had come to reconsider the principle; access to funds by relatively high-income countries could be secured by other means, such as SPR.

50. It would be irresponsible to be unduly optimistic about the assumed level of resources for the fifth cycle. The relatively high rate of growth of annual contributions in the fourth cycle had been mainly due to the accidental factor of exchange-rate movement, which was unlikely to recur during the fifth cycle. While the need for grant technical assistance through UNDP was increasing, predictability was also an important element in determining a resource scenario. An over-ambitious figure would damage the credibility of the forward-planning exercise. His delegation therefore favoured a more conservative projection and hoped that it would be possible to agree on a reasonable and sound target through constructive negotiations in the weeks to come.

51. The question of agency support costs had rightly been treated not merely as a matter to be resolved by revising the financial arrangements between UNDP and agencies, but as an important element in the reshaping of the operational activities of the United Nations system. The report submitted by the Expert Group (DP/1990/9) had provided an excellent basis for further deliberations on the subject. A group of Council Bureau members and advisers had subsequently been entrusted with the task of identifying issues and refining options proposed by the Expert Group and the results of its work had now been submitted to the Council in the form of a report by the President.

52. The new arrangements for agency support costs should result in a system that reflected the general consensus on reform of United Nations technical co-operation activities as expressed in General Assembly resolution 44/211. It should, in particular, involve a mechanism that encouraged national execution, which was the best means of project execution since it demanded a sense of responsibility on the part of developing countries. In the longer term, national execution would encourage self-reliance by fostering increased experience and expertise in project management in developing countries.

53. The role of the agencies in technical co-operation should be shifted from project execution to more substantive and technical support activities. The link between support costs for agencies and volume of projects executed should accordingly be severed, while due consideration should be given to the

problems regarding predictability of income for agencies, particularly during the transitional period. In that connection, his delegation supported the introduction of the concept of technical services support proposed in the President's report as a means of encouraging the shift in agency roles and realizing a redefined tripartite partnership in United Nations operational activities. In order to determine the level of demand for such support, the process of formulating country programmes, together with the final product, must be improved.

54. The new arrangements should also ensure a greater degree of accountability and transparency both of input and output in UNDP-funded technical co-operation. The suggestions contained in the President's report for the separation of technical support by agencies between programme and project levels and distinguishing between technical and administrative services at the project level were moves in the right direction. His delegation also supported the introduction of a cost-measurement system to improve financial transparency further.

55. Although it was desirable to make the new arrangements as uniform as possible, the special requirements of some agencies, in particular small, unisectoral agencies, could not be ignored. His delegation could therefore endorse the proposal for different and exceptional arrangements with those agencies. Because of the unique nature of UNFPA activities and the Fund's operational relationship with the executing agencies, his delegation agreed to the introduction of separate arrangements for UNFPA along the lines proposed by the Executive Director.

56. Mr. KOSTOV (Bulgaria) said that because of their very nature environmental problems called for close and wide-ranging technological and economic international co-operation. Such problems were not only technical and economic in character, but very often developed political overtones. The United Nations system, and UNDP, in particular, should play a substantial role in establishing close international co-operation in that field.

57. It was a matter for regret that, in Bulgaria, questions relating to environmental protection had for decades been relegated to the background of the government policy of so-called accelerated industrialization. The unbalanced building of giant industrial complexes with poor or inefficient cleaning facilities had led to severe environmental problems in several regions. The current task was, first, to stop the further degradation of the environment and then to reverse the direction of that process. His Government had committed itself to making every possible effort in that area. It was already clear that environmental issues would be the most important element in the fifth-cycle country programme.

58. His delegation considered that UNDP's basic principles - universality, non-conditionality and its voluntary character, as established by the 1970 Consensus - were still valid and should be maintained. The Programme must, of course, be reshaped to meet the new challenges and developments in world affairs but the major principles should be maintained.

59. On the question of successor arrangements for agency support costs, his delegation would urge executing agencies to make every effort to increase their efficiency and effectiveness, thus reducing their need for additional support costs.

60. His delegation had noted with appreciation that capacities for government execution of projects had increased throughout the world and that there was a rising demand for the use of such capacities. It might, however, be wise to take a cautious approach to the issue. There might be cases in which the increased demand for government execution was related to the prospect that countries might then be able to add to their allocation the extra 13 per cent provided for executing agency costs. The illusion of increased effectiveness might therefore have a negative long-term impact. The accumulated experience of the specialized agencies should not be underestimated. His delegation was not opposed to increasing the proportion of government-executed projects but careful consideration should be given to when and where such execution should be used particularly in the less developed countries. His delegation strongly supported the tripartite nature of UNDP technical co-operation and the freedom of recipient Governments to choose from several options.

61. On the question of the resources likely to be available for the fifth cycle, his delegation considered that estimates should be based on the assumption of a 6 to 8 per cent annual growth rate for voluntary contributions; that would mean real growth at a rate of between 0 and 2 per cent. His delegation agreed that a 5 per cent share was acceptable for SPR resources, but there should be further clarification of the activities undertaken under that fund.

62. In resource distribution, account should be taken of the real situation in countries. UNDP should provide an adequate response to the efforts of countries which were engaged in major economic and social restructuring. According to information provided by the UNDP secretariat in February 1990, more than 30 countries were expected to benefit from the proposed new supplementary criteria, while the European countries which could expect benefits were no more than six in number. The responses to the changes in Eastern Europe should in no way result in a decrease in assistance to the countries of other regions.

63. It was commonly accepted that United Nations technical assistance should be aimed primarily at enhancing national capacity for economic and social development. When a country embarked on a rapid and drastic transition from one political and economic structure to another, its overall national capacity for development was clearly at stake. Such was the situation in Bulgaria. During the previous six months, there had been radical changes in his country as a result of the introduction of pluralistic democracy. The Government had developed an anti-crisis programme and economic reform designed gradually to replace a centrally-planned economy with a market-based one. The aim of the programme was to diminish the devastating effects of the huge disproportions in the national economy and to ease the introduction of long-term structural adjustments. New legislation had been adopted to ensure equality of all forms of ownership, encourage and guarantee foreign investment, and free prices. Land privatization bills were awaiting discussion in the new National Assembly. International support would be vital for the accomplishment of the programme. The Government was aware of the social cost of the reform process and was taking all possible measures to reduce the negative impact on the socially weaker groups of the population.

64. His delegation agreed with the report of the Administrator about the theoretical and empirical difficulties in constructing indicators of development. It was ready to collaborate fully in developing a universal and accessible system for monitoring economic and social development and a composite index of all aspects of human welfare.

65. Mr. RUKIKAIRE (Uganda) welcomed the interest which UNFPA continued to show in the Ugandan country programme projects, particularly the integration of the population programme with his country's decentralized district development planning and the Resistance Council System. It also appreciated the efforts of UNIFEM to stimulate policies to ensure women's involvement at all stages of planning. His delegation hoped that UNIFEM would assist Uganda in training both men and women to design, manage, evaluate and disseminate information on traditional and complementary energy systems geared to women's needs. His Government would welcome technical advice on how to ensure the access of girls and women to scientific and technical education and to promote opportunities for them to advance in those fields. It requested donors to try to encourage the efforts of national NGOs. UNIFEM might also conduct a workshop on gender awareness for incorporating women's issues in the Programme to Alleviate Poverty and Social Costs of Adjustment and other development Programmes. It was the hope of his Government that the mid-term review of the Uganda programme would lead to greater coherence between the country programme and the priorities of the Government's national plan.

66. During its second term in office, which had started in January 1990, the National Resistance Movement Government would endeavour to consolidate achievements and would continue its efforts to develop an independent, integrated and self-sustaining economy. The future role of UNDP as a central funding agency in Uganda should be seen in the context of what it could contribute to those development objectives.

67. During the previous three years Uganda had maintained a GDP growth rate of over 6 per cent and a rate of 7.2 per cent in 1988; the Government expected to maintain that steady growth in the years to come. In order to achieve that, it had been implementing a structural adjustment programme aimed principally at removing external and internal economic imbalance. Uganda was well on the way to creating a diversified export-led economy, which was the objective of its medium-term strategy. That strategy had been supplemented by a recovery programme aimed at rehabilitating the economic infrastructure, including roads, water, electricity and key industries. The international response to that development strategy had been good, as exemplified in the successful consultative group meeting held in Paris in November/December 1989, during which substantial funds had been committed by the donor community for both the structural adjustment and rehabilitation programmes.

68. A comprehensive manpower survey had recently been completed in Uganda and the Government was in the last stages of a public service reform; those activities would permit the country to start a national long-term management development programme. The Government had also initiated a NATCAP project designed to formulate a clear policy on the use of technical co-operation resources. A programme to address the social problems associated with structural adjustment was also being put in place.

69. At its current session, the Council must establish well-defined guidelines and targets for the future role of UNDP in the context of a dynamic world and the changing needs of the developing countries. It should also highlight the need for a substantial increase in total UNDP resources and for the creation of a more predictable and supportive environment for the development of the developing countries. The need for a more responsive technical assistance institution to meet the changing needs and specific requirements of the developing countries could not be over-emphasized. Indeed, UNDP should be reshaped in order to take a leading role in meeting such challenges. In that regard, the Human Development Report, 1990 was a step in the right direction.

70. Uganda was strongly committed to the promotion of TCDC. UNDP should help member States to encourage TCDC by increasing awareness of its potential. It should also help developing countries to forge links of mutual collaboration through inter-country consultations, seminars, study tours and the expansion of information systems that disseminated data and emphasized the use of institutions in those countries. Such activities called for strong financial support.

71. His Government attached great importance to the work of the United Nations Sudano-Sahelian Office (UNSO) in Uganda, but recommended that that agency, in collaboration with related institutions such as IFAD and UNEP, should in future co-operate more closely with the Central Planning and Co-ordinating Ministry.

72. The concept of technical assistance as conceived in the early 1960s was no longer relevant. The accumulated technical skills of the developing countries made it uneconomic and superfluous to continue to rely on expatriate personnel for the execution of projects and programmes. Nationally executed projects represented only 25 per cent of the country programme. National experts, local consultants and consulting firms had hitherto been a rare phenomenon in UNDP projects and in that respect UNDP had lagged behind other development agencies. His Government was encouraged to note that the Administrator was genuinely committed to national execution as the modality for UNDP-assisted projects from the commencement of the fifth programming cycle.

73. The Council should formulate concrete measures to implement Assembly resolution 44/211 and, in particular, to promote the shift to national execution. Procedures and reporting requirements should be simplified, reformulated and adapted to support government execution, while maintaining the need for proper financial accountability. Counterpart funding represented a serious obstacle to the success of development projects and it must be accepted that donors should assume the full cost of projects if their successful execution was to be ensured in the short-term. UNDP must help host countries to meet some of the financial obligations hitherto left to Governments. His Government therefore hoped that the Council would give favourable consideration to the recommendations of the Administrator contained in document DP/1990/22.

74. The creation of an effective and efficient management cadre was a critical component central to any self-sustaining development process. It was for that reason that his delegation had supported the establishment of the

Management Development Programme (MDP) at the thirty-fifth session of the Council and the allocation of $60 million as seed money. Uganda had already embarked on an MDP-financed project for the review commission of the Ugandan civil service. It had also hosted an MDP project identification mission in preparation for the re-establishment of the Uganda Institute of Management. He hoped that the Council would agree on concrete action to mobilize additional resources for the Institute and for the financing of the various recommendations of the civil service review commission.

75. In strengthening the role of UNDP, the Council should ensure that national development plans constituted the frame of reference. In the past, country programmes had been permitted to pursue projects outside national plans and, as a result, funding gaps had continued to exist in national plans while IPF funds remained unutilized. IPF resources during the fifth cycle should therefore be fully integrated into projects within national development plans. Recent measures instituted by the Administrator had enhanced programme delivery but the timely approval process and the disbursement of resources for projects and programmes still needed to be significantly improved.

76. His Government called upon UNDP to play a lead role in the mobilization of non-core funds, especially through the round-table mechanism. Even where co-ordination was through the World Bank Consultative Group arrangement, UNDP should help Governments prepare technical development plans which would be addressed by donors in the context of the public sector investment programmes. His Government welcomed the recommendation of the Administrator that the nominal growth rate of voluntary contributions in the fifth programming cycle should be doubled from 8 per cent to 16 per cent per annum. In that connection it was instructive to note that, at the current rate of increase of 8 per cent, the real growth rate in the fifth cycle would fall below 3 per cent. No other factor had influenced the resource levels of UNDP more than the fluctuations of the dollar vis-à-vis other convertible currencies. His Government therefore believed that the time had come for the Council to consider mechanisms that would reduce the impact of dollar fluctuation on UNDP-assisted development programmes and projects.

77. His delegation reaffirmed its support for the existing criteria and principles for distribution of country IPFs based on the UNDP/population basic criteria. The existing supplementary criteria should be reviewed to reflect the unique economic crisis facing the least developed countries.

78. Mr. SÄVE-SÖDERBERGH (Sweden) congratulated the Executive Director of UNFPA on the constructive way in which she and her staff had utilized their experience in ways of tackling population issues. The current global scenario was well described in the Human Development Report, 1990, which had stressed the very rapid changes in the world during four decades of technical co-operation involving the United Nations system. The world had made progress in that millions of people currently lived a better life than previously. International development co-operation had contributed to those positive trends. Nevertheless, there were still more than 1 billion people living in absolute poverty and, hundreds of millions unable to read and write, homeless, malnourished and hungry. Their numbers were increasing, as was the imbalance between population and resources in many countries.

79. While the world was left with the task of sustaining what had been achieved, it was also facing new threats and opportunities. Détente and growing prospects for the peaceful resolution of conflicts were opening up opportunities to deal more effectively with the human dimension of international security. Environmental problems knew no boundaries. The poverty in the South directly affected all countries and poor people had few choices. Refugees had increased in number in the past decade and were seeking asylum and assistance. The international community had been slow to respond to those new demands. In a world of rapidly growing interdependence, more and more people wanted to migrate, simply in order to avoid poverty. Was migration to be the Council's answer to those people or was it willing to give them a chance by becoming more active partners in a renewed joint effort of multilateral co-operation? Fighting the drug trade required international co-operation. The AIDS epidemic was another example of interdependence, where it was necessary to act more decisively in a joint effort. The devastating effects of the debt problem of many poor countries was an obstacle to meeting urgent human needs. The problem also had negative effects on trade and employment in both North and South.

80. Those examples of interdependence showed that all countries were affected by events and developments which had until only recently been regarded as merely national or local. He wondered whether national leaders would realize that international co-operation in many new fields was becoming necessary and that the peace dividend should be used for joint efforts to achieve sustainable development.

81. A number of conclusions could be drawn from a study of United Nations activities in eight developing countries conducted by a joint Nordic/United Nations project. UNDP was a welcome actor in the area of technical assistance. In some countries, UNDP had an important role; in others its assistance was of marginal value. Recipient Governments recognized that the United Nations system had comparative advantages over assistance from bilateral sources and that those advantages included the provision of untied funds, the absence of political and commercial interest, and a broad resource base. Thus, neutrality was a comparative advantage of the United Nations system. However, it must be admitted that the United Nations system, according to the study, seemed to be wanting in the area of efficiency.

82. The relevance and efficiency of large systems for the transfer of resources were being examined in many countries. In the national context, studies were being made of cost effectiveness, evaluating impact and examining responsiveness to new needs of major public sector organizations and institutions. That process highlighted the importance of such concepts as accountability, transparency and governance. Those issues were also pertinent to the international system for development co-operation. The important questions to be asked were: How did nations as donors perform their proper role? Was an annual four-week session of the Governing Council an effective way in which to perform the proper governing role of member States? What was the role of UNDP in relation to the specialized agencies and recipient countries? What were the true costs of delivering technical assistance to developing countries? What would be the demand for UNDP in the 1990s when new urgent needs emerged while many old ones persisted? He hoped that the joint Nordic/United Nations study next year would present some ideas and recommendations concerning those questions.

83. In order to give member States information on the true costs of delivering technical assistance, those costs must be identified and accounted for. At the present time, members did not know the true costs. The figure of 13 per cent had been fixed arbitrarily, regardless of costs. His delegation would like UNDP to pay its way and to be able to weigh costs against benefits. A real-cost principle was therefore necessary. Subsidies of an unknown magnitude were not conducive to efficiency and proper decision-making. UNDP must be free to utilize the best sources of competence available. Where the concept of partnership was translated into a monopoly situation, efficiency was at risk. The concept of national execution was an expression of the need to accord recipient countries their due share of responsibility.

84. Those changes would considerably strengthen the incentive for the specialized agencies to be more competent in the international arena. In the field of development assistance, they would also strengthen the capacity of recipient countries to take a firmer grip on their own development.

85. The Governing Council had to decide on the resources to be made available for the fifth programming cycle and on their allocation. He was in a way sad to note that, according to the annual review of the financial situation of UNDP in 1989, Sweden, a country of 8 million people, had become the largest contributor to UNDP in that year in absolute terms. He was sad because he saw it as less of an achievement for many others than as a positive achievement for his own country.

86. It was clear that UNDP and other organizations in the United Nations family would require more financial resources. With regard to the many statements made in the Council calling for more UNDP action in many fields, he would request members to reflect on the concept of burden-sharing. The United Nations should be characterized by unity also in terms of financing. UNDP should maintain the priority of concentrating its resources on the poorest countries, where needs were greatest and access to other means of financing was limited. The yardstick for allocating resources must be simple and easily understood.

87. Mr. STAEHELIN (Switzerland) said that the first 40 years of United Nations technical co-operation had provided a wealth of experience and lessons. The system had greatly evolved by seeking to adapt itself to the changing needs of recipient countries. Those efforts should be continued and strengthened if United Nations operational activities were to continue to play a significant role in international development co-operation in the 1990s. That co-operation would have to meet considerable challenges arising not only from the magnitude of the problems to be resolved with limited resources, but also from the increasing competition of other development co-operation programmes.

88. His delegation continued to regard UNDP as a key element in the system. If it was to continue to play its role as a central agency for the financing, programming and co-ordination of technical co-operation, it would have to develop a higher profile. Its future would depend greatly on the specific nature and quality of its contributions to the development of countries which had the greatest need for that type of support.

89. At its previous session, the Council had begun to work along those lines by trying to reach a clearer definition of the role to be played by UNDP in the 1990s. It had been concluded that UNDP should concentrate its activities even more on the areas in which it had, in conjunction with the specialized agencies, genuine comparative advantages, that it should focus its efforts on strengthening the development capacities of countries with the greatest need for its services, and that it should improve co-ordination of its operations with other forms of assistance. At the current session the Council had an opportunity to develop the profile of UNDP in the 1990s through several far-reaching decisions which it was called upon to take. The two most important decisions concerned future support cost arrangements between UNDP and the agencies, and the fifth programming cycle.

90. With regard to future support cost arrangements, his delegation hoped that the solution adopted would make it possible to strengthen the capacity of the recipient countries and to continue to mobilize fully the technical experience of the specialized agencies. It was convinced that the recipient countries should be more closely involved in progamme management and execution. It was in that light that it viewed the increasing role given to national execution. The choice of method of execution would, however, depend in each case on the nature and circumstances of the particular project. With regard to the more general use of national execution, he wished to make a proposal which was somewhat different from that of the Administrator and consisted of three elements.

91. First, there should be a gradual increase in the proportion of projects executed by recipient countries during the fifth programming cycle. At the present time, that proportion was less than 20 per cent on average. Secondly, the majority of those projects should be executed by local private bureaux and local NGOs, acting within the mandate given jointly by the Government and UNDP. Thirdly, external technical support, which would remain necessary in a number of projects executed by national bodies, would be provided mainly by specialized agencies of the United Nations. That formula had several advantages: it reinforced national capacities without overburdening the governmental apparatus; it safeguarded governmental prerogatives while generally entrusting the private sector with operations; it preserved the cohesiveness of the United Nations operational system and promoted synergy between UNDP and the agencies.

92. On the question of support costs, his delegation favoured a clearer distinction between administrative support and technical support, and separate financing of those two categories, which would be a means of securing more substantial technical support. However, the increase in expenditure for those services should be at least partially offset by a reduction in expenditure on administrative support so that the total cost of the arrangements would not be substantially higher. In addition, his delegation favoured the establishment of differentiated conditions according to the nature of the technical services rendered. At its current session the Council should take a decision on a number of principles, and the new arrangement should be finalized by the 1991 session for submission to the General Assembly for approval the same year. That decision process should be conducted by UNDP and the Council, but the specialized agencies should be duly consulted and their views taken into account.

93. The other important decision which the Council would be called upon to take would concern UNDP resources during the fifth programming cycle and their allocation. That decision should be considered in close conjunction with other aspects of the Programme, in particular the role of UNDP in the 1990s, its resources mobilization strategy, the structure and quality of the Programme, and the role and working methods of the Council. In view of the relatively modest prospects for growth in international development co-operation in general, and the growing competition between various programmes and aid channels, the increase in UNDP's central resources was unlikely to exceed 6 per cent per annum. In those circumstances, it was essential for UNDP to concentrate resources on countries which had the greatest need of its aid, namely, the least developed countries.

94. His delegation had submitted proposals on that subject during the previous consultations on the fifth programming cycle, proposals which had been criticized as "radical" in some quarters. Those proposals had been put forward as an alternative approach. Faced with the challenges of the 1990s, his delegation was convinced that adjustments of the kind it had proposed would prove necessary if UNDP was to continue to play an important role in multilateral technical co-operation. His country was prepared to continue to contribute its share in a genuinely joint effort by all traditional UNDP donors and by all other countries in a position to increase their contribution to the Programme.

95. At the institutional level, the Council would have to take a decision concerning the future of the Committee of the Whole and its Working Group. In his opinion, the Council's structures should be further streamlined. The Council must have a body where member countries could examine in depth - without the formality of a plenary meeting - the various aspects of programmes. Consequently, if the Committee of the Whole and its Working Group were to disappear, his delegation would welcome the establishment of a "Programme committee", which would function essentially in the same manner as the Budgetary and Finance Committee, whose usefulness was recognized by all.

96. He welcomed the publication of the Human Development Report, 1990 and congratulated its authors, who had shed new light on development by focusing on the development of man at a time when the economic crisis had led members to over-emphasize micro-economic aspects.

97. Mr. GEENS (Belgium) said that the complex challenges facing the Council at its current session included: the role of UNDP in the 1990s; the fifth programming cycle, and hence the allocation of resources; the difficult subject of agency support costs; and the problem of national execution. The responses made to those challenges would largely define the future identity of UNDP. At the present time UNDP was tending to become an unwieldy institution in relation to its overall budget. The time had come to redefine the role of UNDP, which should be the central brain and major designer within the United Nations system with respect to technical assistance. It was for UNDP to provide the impetus and play the role of co-ordinator in the technical co-operation field. It therefore followed that UNDP should seek to be less of an executing agency itself.

98. With regard to its "governance", i.e. its structures, together with its method of functioning and management, UNDP should be made more flexible and efficient. In that connection, he referred to the need to streamline the work

of the Council, which held unduly lengthy meetings. He was certain that many countries besides his own faced problems in ensuring a continuous presence. Instead of the Committee of the Whole, a smaller management committee - composed on the basis of geographical distribution to be determined - should assist the Administrator between the Council's annual sessions.

99. The executing agencies had their raison d'être, but they should increase further their sectoral expertise in such a way as to become centres for basic information in their various spheres of activity. They should be concerned less with execution and substitution and more with the provision of advisory services. The logical result was that the UNDP should work with the agencies, in accordance with the four major principles that guided its action: universality, multilateralism, neutrality and decentralization.

100. In specific terms, his delegation urged UNDP to provide highly competent and professional assistance to the developing countries in furthering and executing their national development programmes, in creating greater institutional capacity and in improving management of their own development. Structural adjustment should not be imposed from outside but should be fully borne by the countries concerned. They should be able to design and execute it in a realistic and gradual manner, which would depend on their absorptive capacity in the economic, social and cultural fields. UNDP had a role to play in ensuring the success of that process.

101. He welcomed the Human Development Report, 1990, which had recently been published by UNDP. The report set out guidelines for the future. It gave a new dimension not only to approaches to structural adjustment, but also in the more specific areas covered by UNDP, namely, technical assistance and human resources development. His delegation was particularly interested in the definition of the human development index instead of criteria which were unduly exclusive in economic and financial terms. The performance criteria for structural adjustment should also be evaluated in the light of that index.

102. His delegation suggested the UNDP should invite the World Bank, IMF and bilateral donors to include a human development index in the performance criteria for structural adjustment, more particularly for the second phase of the Special Programme for Africa (SPA II). On the whole, it could endorse the philosophy and main recommendations contained in the report and was prepared to participate in the effort to develop further the concepts it proposed.

103. His delegation particularly welcomed the following ideas: more equitable distribution of income; the need to establish a safety net in order to prevent the degradation of the poorest groups; the link to be established between poverty alleviation, environmental protection and population growth; the need for a basic redefinition of the philosophy of technical assistance, by mobilizing local human resources where possible; and the need to reduce military expenditure in the developing countries. The debt problem also constituted a fundamental obstacle to economic, social and human progress. New and original measures would have to be taken, in particular by converting credits into socio-economic projects aimed at strengthening social structures, creating employment and renewing productive investment. There, too, UNDP had an important role to play in the definition of approaches and conditions for carrying out such operations and in strengthening the capacity of developing countries to negotiate with the World Bank, IMF and other donors.

104. His delegation fully supported the idea that development was essentially rooted in national effort. For an unduly long time, UNDP had tended to substitute itself for national bodies by executing projects in their place. After 30 years of co-operation, it had been noted that the results were not always satisfactory and that financial and other efforts had not always produced the desired progress. His country had therefore changed its approach in its bilateral co-operation and adopted the policy of "co-management", under which his Government was the site manager and intervened at each stage of the procedure to exercise its monitoring role with regard to the allocation of public funds. Belgium accordingly wished to promote the execution of programmes by the developing countries themselves, through a much greater involvement, first, of Governments, but also of NGOs, research centres and other bodies in the public or private sector.

105. It was clear, however, that Governments would still require all the expertise of UNDP and the executing agencies in order to tackle that ambitious and important task. And that approach clearly presupposed the existence of a whole set of rules, procedures and control which should enable the Administrator to exercise financial responsibility with regard to donors. National execution was closely tied in with the strengthening of management capacity in many developing countries, which should constitute one of their absolute priorities. Realistically, however, it must be acknowledged that management capacity could be acquired only gradually.

106. Pending the broad adoption of the national execution system, it would be necessary to continue making use of the sectoral experience accumulated by the executing agencies. It was essential to avoid financial crises with respect to any given executing agency, but that did not mean that justified improvements could not be effected. In that connection, he wished to stress the following points. First, the 1970 Consensus could in no circumstances be regarded as immutable, as a sort of "acquired right" of the executing agencies. Secondly, all the executing agencies should agree to sign with UNDP the agreement providing for the possibility of differentiating the agency's expenses (currently 13 per cent) according to the type of services rendered. Thirdly, the executing agencies should modify their approach with the aim of reducing their "project execution" activities in favour of more in-depth analysis of their own sphere, namely, sectoral expertise. Furthermore, they should agree to enter the mainstream of national execution, since that was the path that should be followed in order to ensure the improvement of development itself.

107. That recommendation also held true for UNDP itself. It should not replace existing national expertise or the expertise of the specialized agencies. It should ensure the early establishment of a strategy for the accelerated improvement of the institutional capacities of the developing countries, a strategy which should incorporate specific means of action such as NATCAPS, round-tables, and other macro-economic and multisectoral approaches.

108. The allocation of IPFs was a difficult and complicated exercise. The Administrator and several countries had made interesting proposals on that subject and he thanked them for their efforts. It would apparently be difficult to count on an increase of 6 per cent per annum. In any event, as far as Belgium was concerned, that objective was unrealistic given the

difficult budgetary situation at the present time. It seemed only fair that the lowest-income countries should receive proportionately more funds than those which were more fortunate. He was aware that the degree of a country's poverty measured in the light of per capita GNP should not be the only criterion for allocating IPFs. It would probably be desirable to apply the human development index on a trial basis before IPFs were definitively allocated. At the current stage, he would simply remind the Council of his country's commitment to the least developed countries and to the most disadvantaged segments of the population, to whom UNDP, through its various funds, should give greater attention than in the past.

109. Forty years of multilateral as well as bilateral technical co-operation had demonstrated that development was not solely a question of the volume of assistance but primarily one of management and mobilization of local resources in a cohesive environment, based on respect for human rights and offering the possibility for all classes of the population to participate in development. Genuine development could not be boiled down to economic growth alone. It must also create conditions for the full development of the human person in a world which was open, ecologically healthy and culturally diversified. He was therefore pleased that the new international context resulting from the changes in Eastern Europe would give rise to an international development strategy for the 1990s which would be more closely geared to human development.

The meeting rose at 1.05 p.m.